Unemployed Exploited (Page 9) **Alcona Field** (Page 14)

THE FINANCIAL POST

Largest Circulation of Any Canadian Financial Paper

The Canadian Newspaper for Business Men and Investors

Vol. XXIX Member of Audit Bureau of Circulations PUBLICATION OFFICE: TORONTO, JULY 20, 1935 10c a Copy; $5.00 a Year No. 29

The Nation's Business

Campaign Funds A Timely Subject For Public Thought

Problems of Finance In the Provinces

Two Manifestoes

Mr. Stevens Is All-Embracing

Mr. Woodsworth Offers Socialism

Campaign Fund Contributions

THERE is one forecast that may be made with certainty regarding the forthcoming election. Whatever the result it will be followed by the usual campaign fund scandals. Every election is.

A campaign fund scandal is the revelation by one party, that is in a position to keep the source of its own contributions dark, that another party, which is not successful in that respect, has accepted money to help it fight the election.

There seems to be no party in Canada which has any objection to accepting money from almost any source to help it defray its campaign costs. There are few members of Parliament whose agents will not take money for that purpose no matter whence it comes. But every party delights in exposing the other party's "illicit connections" so long as it can keep its own revenue sources dark.

* * *

THE hypocrisy of the professional politician's attitude toward campaign fund contributions is matched by the public's indifference.

Most such contributions are now made in the well-known "hole and corner" method; several intermediaries often being used to conceal specific contributions. Such devious methods are less the product of a sense of guilt than of the knowledge that every such contribution can be given an ugly look in a Royal Commission probe. Elections cost money; someone must pay the cost. So even those in politics who dislike the present system accept it for lack of something better. But they seek not to be caught accepting money from a source that might prove embarrassing.

* * *

ELECTION campaigns cost money and there is nothing antagonistic to the spirit of democracy in having the money contributed by those who believe that a certain group of people, if elected, would give the country good government—or their conception of it. Ideally the reasonable expenses of all candidates for office ought to be paid by the State and it may be that ultimately they will be so paid, possibly with some reduction in the annual indemnities. But in the meantime, while Society is searching out the final solution of the problem, there are two things that could be done to put an end to major election fund abuses and scandals;

One would be the requirement of complete publicity for all campaign fund contributions.

The second would be for every major party to reconstruct its financial basis so that main reliance, for funds, would be had upon the small reasonable annual fees of large numbers of members from coast to coast. A party with, say, 500,000 members each contributing $1 a year would never need to ask any large corporation to contribute to its funds.

* * *

Provincial Debts a Major Problem

IN ITS rôle as banker to the four western provinces the Dominion government has already advanced millions to British Columbia, Alberta, Saskatchewan and Manitoba.

In making these loans, the Dominion government has not sought to follow through with any control over provincial finance, other than an audit of the spending of the funds actually advanced. Such control might justifiably have been asked but it would have precipitated a clash between the provinces' insistence upon their own full sovereignty and the Dominion's refusal to permit any provincial default. It is too late now for the Dominion to dictate materially different terms for these advances and it is also too late to permit any provincial default. But at the same time the large total of these loans—which will reach $100 millions before the end of the year—indicates the pressing need for a restatement of the financial relations of the Dominion and the borrowing provinces.

* * *

THE first step that is called for is the establishment of some system of joint control of public finance. A modification of the

(Continued on page 2, col. 3)

SHAWINIGAN NET PROFITS MAKE GAIN

Up Nearly 10 Per Cent in First Six Months

RECORD OUTPUT

Better Conditions in Territory Reflected in Power Sales and Earnings for Year to Date

From Our Own Correspondent

MONTREAL. — Reflecting record power sales, both gross and net earnings of Shawinigan Water & Power Co. registered an increase in the first half of 1935 compared with the corresponding period a year ago. Net profit was up nearly 10 per cent.

Industrial conditions in the territory served by Shawinigan have been appreciably better this year than in 1934. The newsprint industry, which absorbs a large part of the company's power output and provides the company with around 25 per cent of its earnings, has maintained production while shipments are slightly ahead of a year ago. In addition, mining operations in the Eastern Townships have been on the increase, so that the demand for power from these two large users has been above average.

Record Power Sales

Conditions in other industries served by the company have been encouraging, while domestic and commercial sales have kept up. The aggregate result for the past six months has been an output of 2,618 million kw.h.—the largest ever reported by the company for any corresponding period and comparing with 2,242 million kw.h. for the first half of 1934.

While no particulars are available from the company, the government report on central electric stations would indicate that Shawinigan is still supplying large quantities of power for electric steam boilers. Revenue from this source, while comparatively small per unit in comparison with that secured from firm power, commercial and domestic sales, nevertheless contributes substantially to the company's earnings.

Gross Revenue Higher

Accordingly, gross revenues of Shawinigan for the current year up to the end of June totalled $6,276,714. This is in contrast with $5,942,569 for the same period last year, a gain of roughly $340,000.

Examination of the company's expenses during this period shows the outlay on power purchases was practically the same as in 1934, but operating, maintenance and general expenses were higher, probably due to the full-time operation of the newly completed Rapide Blanc station on the Upper St. Maurice River.

Water rentals and taxes and insurances follow the usual upward trend noted in corporation reports. During the first six months last year the company paid out over $52,000 for exchange on fixed charges. This item is eliminated during the current year, but the saving in this respect is offset by a special reserve of $50,000 for exchange.

Net Revenue Up 9½ Per Cent

Net operating revenues of Shawinigan for the first six months of 1935 totalled $3,580,114, as against $3,491,206 a year ago. Fixed charges record little change, so that the surplus available for depreciation, income tax and common dividends stands at $1,558,459. This compares with $1,422,614 for the same six months in 1934, an increase of approximately 9½ per cent.

Judged by results during the past six months, returns for the full year are likely to show an appreciable improvement over those reported for 1934. Much will depend, of course, upon the amount of the reserves set up by the company for depreciation and other possible special reserves.

After all charges last year the amount available on the common stock was equivalent to $1.09 a share, as against dividend requirements of 50 cents a share. If the increase in net profit is maintained during the balance of the current year, it would not be surprising to see Shawinigan report share earnings of around $1.25, in which event it would be the best showing made by the company since 1931.

Retire Short Term Notes

Further improvement also is expected in the company's balance sheet. At the end of last year the statement showed that the company had a net working capital of nearly $3 millions—the best since 1931. The net position at the end of 1935 may not be so good, as part of the company's liquid resources may be used to take care of the redemption last April of $4,458,500 of 5-year, 6 per cent secured notes. These notes, it will be recalled, were issued early in February for the purpose of providing the company with sufficient capital to complete the Rapide Blanc power development. Due to the conservation of cash resources through the reduction of the dividend on the common stock, this new enterprise was completed without the need of issuing the full authorized amount of $6 millions.

Following the redemption of these notes, the funded debt of the company reverts to the one issue of first mortgage and collateral trust bonds, of which there were outstanding at the end of last year $84,071,000. In addition the company has issued 2,178,250 shares of no par value common stock.

Interest in Shawinigan securities

(Continued on page 2, col. 3)

Duke-Price May Retire $35.5 Millions of Bonds

From Our Own Correspondent

MONTREAL. — Consideration is being given by the Duke-Price Power Co., controlled by Aluminum Co. of Canada, to a plan whereby all of its outstanding first mortgage bonds, due May 1, 1966, will be called for redemption and replaced with an issue carrying a lower coupon rate.

At the end of last year, Duke-Price Power had issued $35,529,000 of six per cent, series A, first mortgage bonds. The original issue amounted to $37 millions and was offered to the public at par and accrued interest in April, 1926, by a syndicate headed by the National City Co. Ltd. Through the operation of the sinking fund, which commenced the beginning of September, 1929, the debt has been reduced to the figure quoted above.

Under the terms of the trust deed, the whole of this bond issue may be retired on the first day of any month, on 60 days' notice. At present, the redemption price is 105.

It is unofficially reported that the company intends to put out a four per cent issue in the United States. Public participation in the present issue is not particularly widespread, in view of the size of the issue as large blocks of the bonds are held by the Duke estate, Mellon and associated interests.

MASSEY-HARRIS SALES IN 1935 INCREASE 22 p. c.

Only France and Germany Fail to Show Marked Gain

NEW MACHINES

Sales of Massey-Harris Company to June 30, 1935, show an increase of 22 per cent over the corresponding period of 1934. Favorable crop prospects throughout Canada, the directors state, appear to justify expectations for a larger volume of business in Canada than at any time since 1930. As the inventories have been considerably reduced, this situation has resulted in increased activity and employment in the Canadian factories.

United States Business Gains

Notwithstanding the greater turnover there has been no increase in expenses owing to the rigid control maintained at the head office and at all branches of the company's activities.

Improvement has been general. As the harvest is well advanced in many parts of the United States results so far have been best there. There has been a pronounced recovery in the use of tractors. Crop conditions have been better and a lot of Government money has been spent in rural sections. There has been a considerable improvement in the terms under which machines have been sold. Because of the higher purchasing power of farmers a much higher percentage of cash business has been reported. The same thing applies to sales in Canada, especially sales made in Eastern Canada where harvesting is earlier than in the West.

Abroad, conditions have not been so good in France and Germany but elsewhere company sales have been improving.

Since the end of the last fiscal year on November 30, 1934, the company has made its first big advance on the basis of the continuous experimenting during the depression in its research and engineering departments. Some of the machines developed during that period have been tested under working conditions for one, two or three years and are now being put on the market with high claims for their efficiency. They are being pushed in Canada, the United States and export markets as "leaders in their field."

Feature Oil Bath Mower

One of these new machines, which is getting an excellent reception, is the oil bath mower. It is so named because it has its working parts enclosed and running in a bath of oil much like parts in a motor car. This reduces the motive power re-

(Continued on page 2, col. 1)

A. & P. STORES CAN. BUSINESS AMALGAMATED

Placing Ont. and Que. Divisions Under One Head

MAY WIDEN PRICE WAR

Considerable significance in food chain store circles is attached to the move of the Great Atlantic and Pacific Tea Co. in placing its Quebec and Ontario divisions under one head. Hitherto the 279 stores of this company in the two provinces have been directed and warehoused separately either from Toronto or Montreal. Now L. W. Beebe, formerly in charge of the Quebec Division, assumes directorship over the entire Canadian chain, with H. C. Berkstresser, formerly general manager in Ontario, going back to the United States.

May Mean Change

The change may mean more unification in buying and in merchandising methods. Montreal has been a hotbed of price competition for some time, making it difficult for any chain store to end its fiscal year in a whole skin. There is speculation as to whether the A. & P. will start a similar orgy of price cutting in Ontario in view of the fact that the former Montreal general manager is now in complete charge. Such a move, however, is hardly credited as likely unless somebody else should start the ball rolling.

Further Amalgamations?

There is also some speculation of further amalgamation in Eastern food chain store companies, although the name of the A. & P. is understood not to have been involved. Recently, Safeway Stores in Western Canada took over Piggly Wiggly Canadian and there is talk of Safeway extending its influence into Ontario. Eastern chain store companies in latter years, with very few exceptions, have not made much headway.

Big Loss in Quebec

Since the Atlantic and Pacific Company began operations in Quebec in 1927 and up to the fiscal year ended February, 1934, it is understood that a loss of close to a million dollars has been experienced. In no year, it is said, was there a net profit in the Quebec division. In the Ontario division, on the other hand, it is understood that a total net profit from February, 1928, up to February, 1934, of slightly over $400,000 has been accumulated, leaving a net loss for the two divisions of approximately $500,000.

It is generally understood that the past year has not been a profitable one for the company in either division, although no separate figures are given out as far as Canada is concerned.

Say Reciprocity Gives U. S. Middle Tariff

Would Solve Vexed Problem of Discrimination Against Ports

From Our Own Correspondent

MONTREAL. — Banking circles here understand that the Canada-United States trade treaty has been virtually completed and is about ready to be signed by the two parties. Particulars are closely guarded, but it is understood that the United States will be accorded the most-favored nations treatment under the Canadian tariff, while concessions will be made to Canada by the States in the way of lower tariffs on primary products.

Lumber-Cattle-Wheat

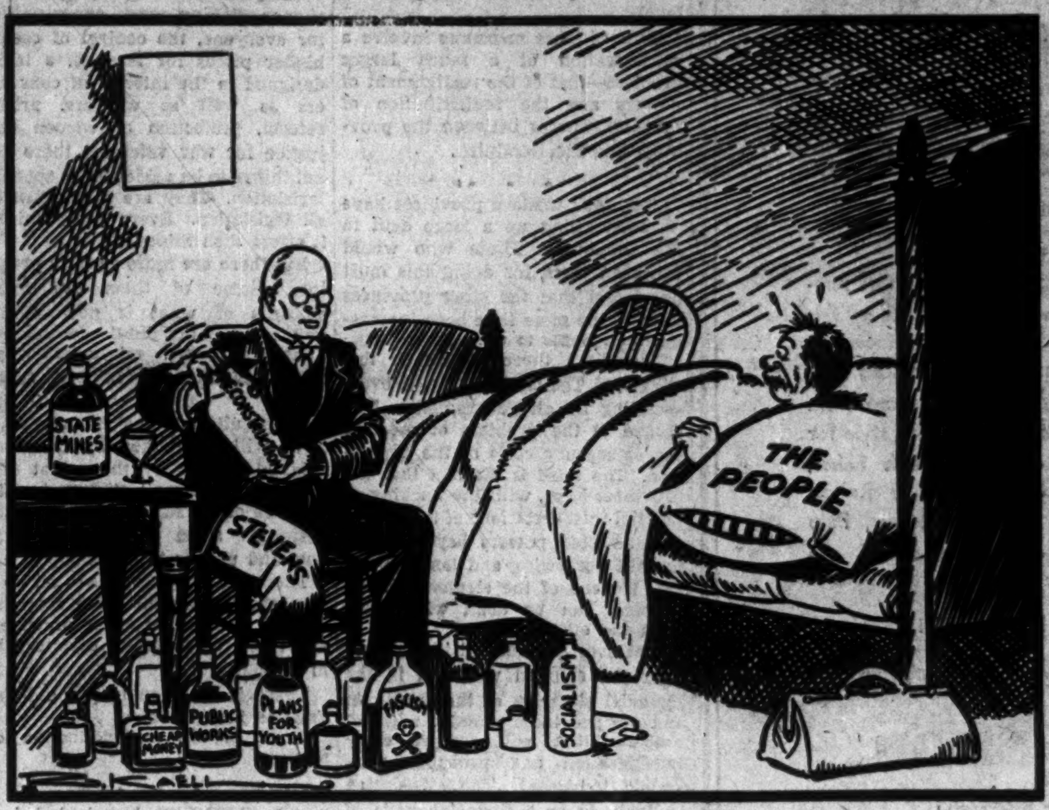
Considerable interest has been evinced by Canadian business as to what concessions Canada would receive from the United States in turn for giving that country more favorable tariff treatment. The products which Canada has in large quantities for marketing in the United States are largely primary in character, so that it is deduced the concessions will be made in forest and agricultural products including cattle. There is already a fair movement of cattle from Canada to the United States, but with a permanent form of tariff adjustment, this trade could possibly be developed into large proportions especially in view of the depleted stocks in the States.

The opening up of the lumber market in the United States to Canadian operators has long been desired, but the political pressure from Oregon, Washington and the other lumber-producing states has kept that market closed to the Canadian product. But as this is one of the principal primary products which Canada has to export to the States, it is considered unlikely that the agreement would fail to make some provision for better treatment of Canadian lumber in the U.S. market.

Although there is nothing official to go on at this time, it is possible that the American tariff on Canadian wheat will be lowered or a quota arrangement set up which will permit the marketing of a relatively large quantity in that country. Prior to the Fordney-McCumber tariff, large quantities of Canadian wheat were imported into the United States for mixing with American soft wheat in making bread. This trade was practically wiped out.

Giving the United States prefer-

(Continued on page 2, col. 6)



—Drawn for The Financial Post by R. Kaell.

DR. STEVENS: "If I put a little of everything in, one of them might cure him...."
THE PATIENT: "....if the others don't kill me."

Wealthy Americans Acquire Large Stake Canadian Resources

Hold Back to See Result of Next Dominion Election

SEEK SECURITY

Go Where Capital is Welcome and Political Conditions Stable — Are Rich Canadians Leaving?

Wealthy United States investment trusts, corporations and industrials are understood to be accumulating Canadian securities. They are financing Canadian ventures and establishing funds in Canada to a greater extent in the last year than at any time since the depression began.

At the moment political uncertainties have caused a halt of the inward flow of funds. But it is known that many hundreds of millions of dollars of international money are now controlled by people who want safe harborage. These people are following the course of events in Canada with keen interest.

The results of the next Dominion election will be studied closely by those who control this capital to see whether capital will be welcomed. The owners are still much more concerned about safety of their capital than about immediate returns.

Branch Plants

Canadians were familiar before the war with the spectacle of hundreds of subsidiary plants of United States companies establishing themselves in Canada. These were built up behind tariff walls in order to sell to Canadians and to take advantage of the British preference. After the war they became used to hundreds of millions of dollars coming into Canada for this purpose and even more to exploit the wealth of mine and forest. In the depression that part of the money so invested which remained in liquid form was in danger of removal. The crash made it necessary for so many individuals to get their affairs in as liquid a state as possible. But the occasional opening here and there of a new company or a new industry has shown that the movement had only been arrested, not stopped.

Rich Americans Study Canada

In the last few years a number of wealthy Americans have shown interest in Canada as a safe repository for liquid funds. The virtual departure from gold was a shock to those who had begun to put their money in Canadian gold but the increasing price of gold awoke Ben Smith and other Americans who preferred to be nameless to the opportunities of investing in Canadian gold mines. That had as much to do with the increasing price of gold stocks as anything.

Awakening industrial activity, a better market for industrial stocks and greater stability in the United States led to the selling of gold stocks and repatriation of some of this money. The uncertainties of the Roosevelt regime, the distrust awakened by the popularity displayed toward the ideas of Huey Long and Father Coughlin, and the "Soak the Rich" policy of the President started a movement back toward Canada. This has temporarily been arrested by the emergence of the Stevens party.

Waiting on the Election

One man who sent $250,000 to a Canadian broker, with instructions as to how to expend it in securities, has $500,000 more to send along. He has decided to await the results of the Dominion election. He does not want to get his money into Canada and then find the Dominion embarking belatedly on much the same programme as has agitated the United States in the last several years. He had, as many Americans have had, a high opinion of Canadians as steady-going individuals not easily influenced by "ists" and "isms." There are some misgivings now because some recent political declarations in Canada have been as radical as anything made in the United States. The American prefers to wait and see exactly what the Canadian voters do at the next election.

Two years ago a number of wealthy United States citizens wanted to express their disapproval of United States policies and trends and approval of Canadian institutions and ways of doing things by moving bag and baggage into Canada. If they could have established citizenship within a reasonable time—say 6 months—they would have come. Negotiations were even opened up at Ottawa on their behalf but the Government was slow in acting. Then much the same sort of talk developed here as had repelled them in the United States and now there does not appear the same desire to change citizenship.

Will Canada Soak Rich?

Wealthy Americans have been impressed by an evident fear of rich Canadians that inheritance taxes and other ways of "soaking the rich" may be used to the limit. It is true that Harry Oakes, president of Lake Shore Mines, a former American and one of the richest of Canadians, has had to deny that he intends to establish citizenship in the Channel Islands where taxes are almost nil and the coming of a rich man is regarded as a boon to trade and industry. Mr. Oakes gathered his millions in Canada and he seems to have shown a disposition to spend the greater part of the income from them here. Such a defection as this, if it had occurred, would have exercised a deterrent effect on outside capital looking for safe harborage. Others, however, are currently reported to be planning transfer of themselves and wealth

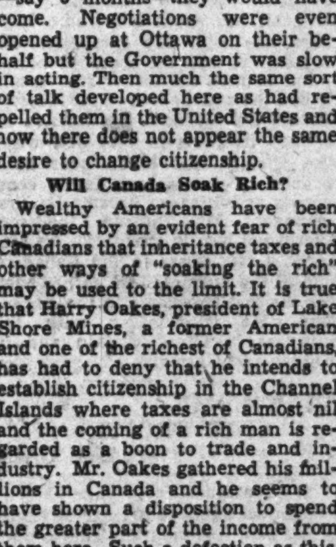
(Continued on page 2, col. 4)

'Peg Electric Plan Meets Bond Snag

From Our Own Correspondent

MONTREAL.—As an expression of disagreement with the terms offered under the Winnipeg Electric Reorganization plan, English bondholders of North Western Power Co. are withdrawing their bonds on deposit with the protective committee.

The amount involved in the withdrawal is approximately $1 million or about 10 per cent of the outstanding issue. While full particulars have not been received from London as to the reasons for withdrawal or support, it is understood that the English bondholders are not satisfied with the plan proposed, because no compensation is provided for arrears of interest totalling about $2.1 millions.



Wholesale commodity prices, in the week ending July 12, showed no change from the last two weeks, remaining at 71.3 according to the index compiled by the Dominion Bureau of Statistics.

Highlights

Behind Ottawa Trek

Splashes on the surface do not tell whole story of unrest among Canada's army of young unemployed. Exclusive Post investigation throws spotlight on background of trek to Ottawa and Regina bloodshed. Page 8

Movies

New Ontario amusement tax cuts heavily into movie profits. Producers plan better pictures in color for Canada. Page 9

Australia Leads Way

Five years ago Australia was "broke" with no credit at home or abroad. Today the picture is reversed. Premier Lyons tells how it was done and comments on application of similar policy to Canada. Page 9

Split Lake Gold Area

Three weeks ago, a Toronto man made a strike in the Alcona or Split Lake field. Today, a rush of major proportions is on, in what may be the gold area of 1935. Eyewitness description of the new area. Page 15

Woman Prospector

Rosie Brown, of Kirkland Lake fame, is little known outside the townsite, despite the fact that her life story reads like imaginative fiction. A personal interview. Page 16

Newsprint

While newsprint production and sales still remain in doldrums (page 8), Ottawa provides machinery for reorganization of sales policy if companies and provinces are willing for federal control. Page 3

Investors' Index

Duke-Price bonds 1
Shawinigan improves 1
Massey-Harris sales up 1
Can. Malting forecast 3
Dom. Coal new div. 3
Trinidad Elec. seeks court decision 4
Chem. Research short selling.... 15
Dome recovery higher 15

INDUSTRIALS, UTILITIES, ETC.

Atlantic Utilities 11
Agnew-Surpass . 11
Assoc. Telephone 4
Anglo-Can. Tel.. 3
Abitibi 1
A. & P. 1
Bank of Canada 4
British Oak . . . 10
Cons. Sand . . . 15
Can. Cement . . 12
Candn. Celanese 3
Century Indem. 10
Crosse & Black. 7
C. G. Invests. 11, 15
Candn. Wineries 11
Can. N. Power . 4
Candn. Bakeries 11
Candn. Hydro . . 11
C. P. R. 11
Champlain Oil . 11
Dom. Square . . 15
Dom. Textile . 3, 15
Dom. Stl. & Coal 3
Eastern Car . . . 4
English Elec. . 3, 15
Fanny Farmer . 3
Ford 3
Famous Players. 9
Gypsum, Lime . 4
Gr. Windsor Dev. 15
Great Lakes . . . 1
Home Fire . . . 3
Int. Paper 1
Inverness Apts. 15
Invest. Found. . 5
Inter Carbo-Ice 4
Imperial Bank . 4
K'sington Manor 5
Killarney Apts. . 15
Loblaws 5
Louisiana Land 5
Massey-Harris . 5
Montreal Cottons 10
Mill O. Mutual. 10
M. & O. Paper . 11
Montreal Tram.. 11
N. B. Telephone 11
N. S. Steel . . . 11
Northern Life . . 10
Occidental Life . 10
Page-Hersey . . 5
Quebec Power . 15
Royal Bank . . . 11
Railway Exch'ge 15
Stand. Paving . 15
Steel of Canada. 11
South. Can. Pwr. 4
Willson Stat. . . 15
Winnipeg Elec. . 1

MINES AND OILS

Algold 14
Algoma Mining . 14
Austin Rouyn . . 14
Bousquet 15
Bulolo 15
B. E. A. R. . . . 15
Buffalo-Ank. . . 14
Bralorne 14
Bradian 14
Big Missouri . . 11
Cons. M. & S. 11, 14
Candn. Reserve . 11
Can. Radium . . 16
Corless Patricia . 14
Dunlop Cons. . . 14
Edgecreek 14
Franklin 15
Gold Eagle . . . 14
Handley Gerlach 14
Hollinger 14
Howey 14
Jowsey Island . . 14
Kenora Prosp. . 14
Lebel Oro 14
Marbuan 14
Morris Kirk. . . 14
Minto 14
Macassa 11
Morning Star . . 16
May Spiers . . . 14
Meridian 14
McMillan 14
Paymaster 14
Peterson Cobalt. 14
Quebec Eureka . 11
Richelieu 14
Roche L. Lac . . 14
St. Anthony . . . 14
Schreiber Pyra. 14
Sheep Creek . . 14
S. Tiblemont . . 14
Sudbury 14
Tashota 14
Wayside 14
Wendigo 15
Ymir Cons. . . . 14

QUOTATIONS

Bonds 12
Grain 13
Stocks 12
Mines 12, 15
Foreign Exchange . . . 4

REGULAR DEPARTMENTS

Banking 4
Editorial 6
Business 7
Insurance 10
Enquiries 11
Grain 13
Mining 14-16

ANTICIPATE SEVERAL BIDS GREAT LAKES

Four Groups Are Now Reported Interested in Getting Control

STRATEGIC POSITION

Publisher or Manufacturer Control Means Much in Next Twelve Months

From Our Own Correspondent

MONTREAL.—At least four bids are now expected for Great Lakes Paper Co., bankrupt Ontario newsprint producer. By force of circumstances this property has come to have an important bearing on the future welfare of the Canadian newsprint industry—at least for the next twelve months.

National Trust Co., as receiver, has asked for offers up to noon on September 10. Ten days later the bondholders meet to consider and accept any offer agreeable to them.

Property Has Value

Change in control of Great Lakes Paper is considered of more than passing importance at this time. The company's mill at Fort William is of recent construction and holds a strategic position in so far as the mid-west United States market is concerned. Furthermore its rated capacity of approximately 100,000 tons annually makes it a factor in the setting of newsprint prices.

Hearst To The Fore

Indications point to Hearst making a strong bid. The Chicago News is reported to be heading a syndicate of other mid-west publishers with the intention of making an offer to secure control of Great Lakes Paper. This would be a cooperative effort for the purpose of securing a regular source of supply and as insurance against the oft-proposed upward advance in newsprint price.

Both the Hearst and Chicago News syndicate offers would be made from the publishers' point of view. On the other side—the manufacturers'—there is a definite feeling that control of Great Lakes Paper should be kept out of the hands of either Hearst or any other American publisher or group of publishers, so as not to further block the producers' efforts to secure a better price for their product.

Ontario Group Again

In this latter category is the "Ontario Group" of business men, financiers, etc., who are interested in carrying a reorganization of either Great Lakes or Abitibi. At the moment it is understood the interests of this group are directed toward Great Lakes.

Another possible bidder mentioned is International Paper. Not too much credence is placed on this report, as International is known to be having its own troubles. On the other hand it is pointed out that if an upward adjustment in the price of newsprint is to be secured this fall, it is desirable that control of Great Lakes passes to "favorable" interests. International with the largest stake in the newsprint industry may take the lead in putting in a bid to keep control of the property in the manufacturers category.

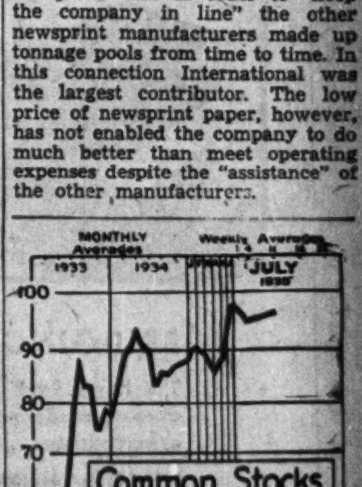
Had Stormy Career

Great Lakes Paper has been somewhat of a stormy petrel in the newsprint industry in the past few years. The company was originally organized in 1923 by the Backus-Brooks interests of Minneapolis, Minn. In 1924 the company began the manufacture of groundwood pulp, but did not enter the newsprint field until 1929. By this time a capitalization of $10 millions of six per cent first mortgage bonds, $10 millions of six per cent cumulative preferred and 750,000 shares of no par value common stock was put on the property.

In the early part of 1931 the company defaulted on its bond interest and in March 1932 a receiving order in bankruptcy was granted.

Pay to Keep The Peace

Faced with a shortage of business, Great Lakes Paper threatened to cut prices and in order to "keep the company in line" the other newsprint manufacturers made up tonnage pools from time to time. In this connection International was the largest contributor. The low price of newsprint paper, however, has not enabled the company to do much better than meet operating expenses despite the "assistance" of the other manufacturers.



Common stock index prices for the week ending July 11 moved up slightly to 95.7 from 94.8 in the previous week, according to the weekly investors' index. Dominion Bureau indices appear on page 5.

MEN'S SHOP

CLEARANCE SALE
of Broken Lines in the Men's Shop

CONTINUES
to End of Week!

Prices Reduced 1/3
on Smart Summer Apparel!

If you require anything in the way of smart summer apparel be sure to visit the Men's Shop this week. We are clearing broken lines of current stocks at 1/3 reductions in order to make way for new Fall merchandise. All items are from regular stock and are of the quality and style for which EATON'S MEN'S SHOP is noted. Shirts, Ties, Bathing Suits and Trunks, Terry Robes, Sweaters, Sport Coats, Knickers, Blazers, Polo Shirts, Sport Trousers and Straw Hats, are included.

Phone AD. 5011 or AD. 5511

Free Parking While Shopping

MEN'S SHOP
BAY STREET SECTION

EATON'S - COLLEGE STREET

MASSEY-HARRIS SALES IN 1935 INCREASE 22 P.C.

(Continued from page 1)

quired and is expected to prolong the life of each machine. It is being sold everywhere in Canada and abroad in Europe.

It is an important sales feature in England where mowers exceed binders and in France where the mowers are three times as numerous as binders. It is not so much used in countries like Australia and New Zealand where cattle are pastured the year round, but wherever grass has to be grown and hay cut for storage and feeding during the winter the mower is a very important machine.

The company is now also marketing a new cream separator. Where old or inferior separators leave as high as .2 of 1 per cent of butter fat a series of tests have shown this machine leaving .01 per cent, although a residue of only .02 per cent is the claim on which it is sold.

The one-way disc is also selling well. It has exceptional lightness of draught but, being largely of steel construction, combines this with durability. It has a wide variety of uses. It takes the place of the plow, drill, harrow and cultivator. It can be used to turn stubble under directly after the binder or as an ordinary plow or cultivator. Working particularly in dry areas it is an excellent surface seeder. In the last eleven years this type of machine has been transformed until it can do a great deal more service than formerly. Sales are large in 1935.

Reaper Thresher Goes Over

A reaper thresher has been developed in Canada for special use in the Argentine. The reception given it already, it is said, indicates that it will likely be a success. This reaper thresher has a six-cylinder engine, and special high-wheels designed for bad ground conditions. It is easily transported. It is said that in two and a half minutes the platform, which is 25 feet wide, can be detached and the machine is ready to move to another field. Yet the machine weighs from four to five tons. It is usable on all types of farms but most sales in the Argentine have been to farms of from 850 to 500,000 acres in extent. It will cut not only oats, wheat and barley but has a special English cylinder for threshing flax.

This machine in the Argentine cuts the grain, threshes it and bags it. In Western Canada where there is a storage elevator system the machine is made to cut the grain, thresh it, elevate it and send it down through a chute into a motor truck or grain waggon alongside. It can be drawn either by tractor or horses.

Collections

Having paid off the last $2 millions owed to the banks in 1934, the company's board has been considering this year the various problems connected with getting back to profitable operation. Collections cannot be estimated yet because October is the big collecting month. The larger cash business, however, is taken as an indicator that that side of the business is improving.

New Appointment

The company is building up personnel again. It kept key men so far as possible through the depression. Many more men have been employed.

One major measure has been the appointment of James S. Duncan as assistant general manager. Mr. Duncan has spent his whole business life with the company. His father was with the company before him. In fact, his father first established the agency side of the Massey-Harris Co. business. He opened an agency in Paris in 1887 and when the agency was taken over as a branch of the Massey-Harris company's activities he became its first manager. Mr. Duncan, the son, succeeded him in that post. He also spent a few years in the Canadian end of the business and he has been for the last two years in the Argentine. He is familiar with the business in Great Britain and in France and Germany.

We take pleasure in announcing

that

Mr. H. K. Vipond

has become associated with

our firm

Gairdner & Company
Limited
INVESTMENT DEALERS

320 Bay Street
Toronto, Ont.

360 St. James St.
Montreal, Que.

BRIDGING THE GAP

The Royal Bank serves Canadians abroad, rendering efficient aid to export business, and offering friendly services to travelers in foreign lands.

THE
ROYAL BANK
OF CANADA

The Nation's Business

(Continued from page 1)

Australian scheme of a joint Commonwealth-States Loan Council may be the starting point.

This will probably lead to the logical next step of a national debt refunding scheme, involving the voluntary conversion of all Dominion and provincial debts of high interest rates on terms consistent with present money interest levels.

Both of these measures involve a consideration of a much larger problem—that of the realignment of powers and the redistribution of revenue sources between the provinces and the Dominion.

* * *

THE four western provinces have been piling up a large debt to the Dominion. Those who would condemn them for doing this must not forget that the other provinces have at the same time been increasing their debts to the public.

There are three factors in this situation. The first is general overspending by all governments. The second is the problem of meeting the emergency costs of the depression. The third is the fact that the provinces have, with the backing of judicial interpretations of the B.N.A. Act, asserted powers beyond their present borrowing and taxing powers. No one of the elements in the problem can be dealt with apart from the others.

Whatever government is in power after the election will find in the financial situation of the Dominion and the provinces a major national problem that will require early consideration and probably very drastic treatment. The alternative is likely to be a financial crisis of no small proportions.

* * *

Stevens Manifesto Leaves Something Out

THE first two election manifestoes have appeared. Each is all-embracing and profuse in promises. The Co-operative Commonwealth Federation and Mr. Stevens's Reconstruction group have to shoot their arrows from long bows in order to gain attention. The Conservative and Liberal manifestoes will probably be more modest documents. Mr. Bennett will be standing on his record and Mr. King, feeling victory is sure, is not likely to commit himself too rigidly.

Mr. Stevens's manifesto is a curious document. There is something in it to appeal to everyone. It is neither Socialism nor Fascism, although it borrows from both philosophies. With a few items excised it might appeal to the Conservative mind. With a few other items excised it could be easily fitted into a Liberal mold. In being a hodgepodge of conflicting ideas and philosophies it has good precedent, for even the major parties have in their time produced manifestoes having that characteristic.

* * *

THE generalities can be quickly disposed of. Giving youth a chance, finding work opportunities for everyone, the control of credit, higher prices for farmers, a tariff designed in the interest of consumers as well as workers, prison reform, protection of women and justice for war veterans; these are not things to be achieved by specific legislation. They are a function of all legislation. Every party thinks it offers such things.

But there are more specific promises. Some of them are mere variants of what is now public policy; certain public works, a housing scheme, minimum wage laws, reduction of interest rates, etc.

In the ultimate analysis any platform will be judged by its more original planks, by those that distinguish it from all others. And in the case of the Reconstruction party there are some planks which are new and unique to the group.

There are the proposals to set up a supremely powerful trade commission to rule all business practices, and to set up a similar dictatorship in agriculture.

There is the plan to put a fixed limit on interest rates.

There is the nationalization of mining.

* * *

MR. STEVENS has included a few pet projects of his own. He wants our peat bogs used. So do a group who have recently been trying to raid the federal treasury for a bonus on peat. What has Mr. Stevens to do with this group?

He wants corporations operating on a multiple-unit basis to be taxed on each unit separately. In this proposal one sees the hand of two or three of Mr. Stevens's associates whose chief aim in life seems to be to bring about the downfall of certain specific chain and department stores.

It is strange that such a comprehensive document should have missed so many vital problems including the chief one of all; the absolute necessity of curtailing government expenditures in Canada in order that our budgets shall be balanced and a basis provided for confidence and recovery.

Mr. Stevens has suggested scores of ways of spending money and hastening national bankruptcy. He has given little thought to the rôle of sound finance and the rôle of personal enterprise and achievement in our financial and economic future. This statement may be challenged by those who are impressed by Mr. Stevens's proposal to pay off the national debt in 25 years. But the proposal is not to be taken seriously when it is included, as an apparent after thought, in a document replete with spending proposals.

* * *

C. C. F. Stands For Socialism

IN CONTRAST to the platform of Mr. Stevens's private party, the manifesto of the C.C.F. is simple, direct, unequivocal and, because of those qualities, essentially honest. It calls for "a planned and socialized economic order." It would remove wealth from private hands, and promote the speedy downfall of Capitalism. Study of the details of such a programme avails little. It is Socialism and any text-book on Socialism would serve to provide all the planks necessary for such a platform.

As an integrated group in the Canadian Parliament the C.C.F. is not of growing importance. With so much of Socialism in the policies of the older parties a purely Socialist party is circumvented before it really gets going. The more orthodox parties jeer at it for being too radical to be truly Canadian and then they pilfer its material to give their own programmes a more magnetic appeal to those who are either discontented or idealistic.

* * *

THE effect of this is to give the C. C. F. some influence but not to give it many seats. It is rapidly becoming an organization for the dissemination of class propaganda, for the staging of radical demonstrations, and for making a nuisance of itself to those in the trade of politics. It must achieve its successes through its failures.

Yet even this summary of its position assumes a higher degree of unity in the group than actually exists. Mr. Woodsworth may present Socialism as the programme of the party, but even Socialism is an anomalous common denominator for all sorts of Labor, Agrarian and Communist groups, monetary heretics and economic Planomaniacs.

The C.C.F. enjoys but little harmony and unity within its own ranks, which is in itself something of a commentary on the possible effectiveness of regimenting contrasting human natures for national planning.

SHAWINIGAN NET PROFITS MAKE GAIN

(Continued from page 1)

has shown signs of greater strength in the past few months. This is due, in part, to the knowledge of increasing power output and the assumption of larger earnings. It is also due to the returning confidence of investors in the Quebec privately owned utility companies following the Lapointe investigation and the new Quebec utility legislation, which indicated that the Taschereau Government has no intention of undertaking any radical reforms. The new Utility Commission bill has been interpreted by the privately owned companies as being a strengthening rather than a disturbing factor. The centralization of control of electricity rates, furthermore, is expected to permit of the regular establishment on rates which will assure the operators an adequate return on their capital investment.

WEALTHY AMERICANS ACQUIRE LARGE STAKE CANADIAN RESOURCES

(Continued from page 1)

to other lands where taxes are low and politics stable.

Bond Buying Cancels Out

The movement of capital between Canada and the United States does not show its most significant phase in the purchase of Canadian bonds by citizens of the United States. Over a term of years Canadians seem to buy just as many bonds and debentures from the United States as Americans buy from Canada. The balance is first with one country and then with another as the following table prepared by Investment Dealers Association of Canada shows:

Bond Sales, 1933 (First 11 months)	$
Canadians Sold:	
Securities to U. S.	65,400,000
Do., to U. K.	61,100,000
Total sold	126,500,000
Canadians Bought:	
U. S. securities	115,400,000
U. K. securities	9,900,000
Total bought	125,300,000
Bond Sales, 1934	
Canadians Sold:	
Securities to U. S.	128,200,000
Do., U. K.	77,000,000
Total sold	205,200,000
Canadians Bought:	
U. S. securities	207,000,000
U. K. securities	12,000,000
Total bought	219,000,000
Bond Sales, 1935 (First 5 months)	
Canadians Sold:	
Securities to U. S.*	71,600,000
Do., U. K.**	7,000,000
Total sold	78,600,000
Canadians Bought:	
U. S. securities‡	45,800,000
U. K. securities‡‡	13,000,000
Total bought	58,800,000

*Compares with $44.8 millions for the same five months of 1934.

**Compares with $45 millions for the same five months of 1934.

‡Compares with $79.2 millions for the same five months of 1934.

‡‡Compares with $4 millions for the same five months of 1934.

Exchange is Big Factor

Only three countries are shown in the foregoing table because movement of bonds with other countries is negligible. For example, in the first five months of 1935 total sales of Canadian-owned securities to all buyers outside Canada were $79 millions against $90.5 millions for the same period of 1934. The total purchases of securities by Canadians from outside Canada were $59,100,000 as compared with $83.6 millions in the same period of 1934.

The changes noted in the foregoing tables are not the result of radical or political movements. When the United States or the United Kingdom is shown buying heavily in Canada or Canada buying heavily in the United States it simply means that for the time being exchange conditions favor such buying. Canadians bought heavily of United States securities until 1935 when exchange conditions were not so favorable.

United States is now buying more heavily of Canadian securities. Similarly the United Kingdom bought into Canadian securities as long as the pound sterling had high purchasing power as against the Canadian dollar. The Vancouver episode and the decision of the Ontario government to declare invalid the contracts made by the Ontario Hydro-Electric Power Commission with the Quebec power companies had great effect in Great Britain. Their effect in the United States, where such scares are more common, has been less.

Heavy Inflow Expected

It is in the realm of stocks where the principal United States investments have been made. Dominion Bureau of Statistics shows that both in 1933 and 1934 Canada sold $350 millions of securities to the United States, and bought back from the United States $250 millions in 1933 and $300 millions in 1934. Canada had to meet as well maturities of $40 millions in 1933 and $75 millions in 1934 but nevertheless its net advantage was $61.5 millions in 1933 though it lost on balance $20 millions in 1934.

Canada was a capital exporting country from 1923 to 1928. In 1929 and 1930 there was a net movement of capital into Canada and in 1931 and 1932 a net movement out of Canada. Since then the net movement has on the whole favored Canada.

Operations at the outset of 1935 made many financial men believe that a steady inflow of capital to Canada could be expected. Political developments considered adverse to capital, however, are causing a stemming of the flow until the election demonstrates whether Canada will or will not show a more welcoming face to capital than does the United States.

Investment is the Object

"Most of the money coming into Canada is most distinctly for investment purposes," said one broker who deals almost exclusively with large accounts and includes a number with United States citizens. "I would say that so far as stocks are concerned the movement of Canadian money into the United States is more designed to take advantage of speculative opportunities from time to time. The American clients I deal with, however, are concerned with the long view. One client who has already some hundreds of thousands of dollars invested in Canadian stocks distinctly advised us that he wanted the buying done in a way least likely to affect the stock market. He has spread his investment over many companies and he is not after control of any one of them. He simply wants his money invested in stocks of well-managed and promising companies. He will buy more when the political aspect of things is clearer."

"Quite a number of United States citizens spend extended periods in the Dominion in order to superintend the investment of their funds in Canadian companies and to study close at hand the operation of those companies," said another broker. "They are concerned only with making good investments and these men come from as far south as Florida and California, as well as from the North. They are not thinking of living here because they have interests in the United States but they certainly are acquiring a sizeable stake in this country."

Hard to Detect

It is becoming hard to detect such accumulations of capital except in the gross. Many large blocks of Canadian stocks are held by important United States citizens and their names do not appear on shareholders' lists at all. To all intents and purposes the sales are Canadian sales. The growth of private corporations enables this to be done. United States investment trusts show heavy holdings of International Nickel, Montreal Power, Shawinigan, and all they can get of Steel of Canada. Much C.P.R. is not being bought just now until the railway situation is clarified. Large corporations now and then seek control of a desirable Canadian company but most of the enterprise in establishing funds or assets in Canada is shown by individuals.

Tourists Canvass Situation

Though the question of Canadian citizenship was canvassed by a number of men some time ago and is not now being pushed, the tourist flow has begun again. The possibilities of Canada for summer homes are being explored. An influx of that kind is very desirable as it permits the visitors to explore investment offerings here at the same time. In recent years Canadians who have made their pile in the United States have in a number of cases acquired residence here as they have retired. A number of others have divided residence between Canada in the spring, summer and fall and Florida or California in the winter. Others choose Bermuda, the Bahamas or Jamaica for the winter.

Weekly Record of Financing in Canada

SALES BY MUNICIPALITIES, PROVINCIAL AND DOMINION GOVERNMENTS

	Date Sold	Sold to	Rate	Due	Amount	Price	Yield
Municipal—							
Parish of St. Jean Vinney, Montreal	July	L. G. Beaubien & Co.	4½%	Serial	$110,000	96.03	.....
L'Hopital Laval, Quebec	July	Ernest Savard	3½%	1936-55	360,000	92.61	.....
L'Hopital Laval, Quebec	July	Lagueux & Darveau	4% 4%	1937-50 1950	200,000 250,000	98	.....
Dominion—							
Canada Treasury Bills				Oct. 15, 1935	20,000,000	99.65	1.385%
Provincial—							
Saskatchewan	July	Dominion Securities and Syndicate	4%	1960	4,000,000	*90.45	4.65%

*Offering price.

In the Mail

Our Wheat Policy

Editor, The Financial Post:

Few people in Canada fully realize that the large carryover of wheat in our elevators was the beginning of our depression.

Six or seven hundred millions of new wealth, from our wheat each year, made prosperity in Canada and particularly in our Prairie Provinces which sent bulk orders for all kinds of farm machinery, autos, tractors, household and personal wants, to our factories in the East, and kept our people employed most of the year.

It gave our railroads and steamships bulk business in season, and made employment for an army of men while the crop was being harvested and in transport. This new wealth from year to year, quickly circulated, was the very life blood of our country.

Not until we can rid Canada of this great carryover of wheat, and get back our English and world markets, can we look for the improvement of conditions, or put our unemployed back to work.

Viewing the danger of a large wheat carryover in February, 1930, I wrote the Dominion Trade and Commerce Department: "Our wheat crop is one of our greatest industries, and the future hope of Canada. Have we overlooked the dastardly results of not selling same this year at the right time? I believe we have. Is our wheat pool going to fall? It has a cloudy future at the present time."

We missed our chance.

"England sensed the fact that we were holding out on her, and turned her attention to other markets. She will not be bullied. Old Country bankers are displaying signs that they are not using Canadian wheat flour.

"No pool can buck the whole world in competitive times like the present. Let us try to save our English market for our wheat."

Using our poorer grades of wheat for feed purposes, and any balances we do not export from year to year for motor fuel, would seem the logical way to avoid an abnormal carryover of wheat, seriously affecting the price of our new crop. A large elevator in Liverpool well stocked would also aid the millers and smaller nations to use more of our wheat and flour.

A. MACINTYRE BRUCE,
St. Thomas, Ontario,

SAY RECIPROCITY GIVES U. S. MIDDLE TARIFF

(Continued from page 1)

ential treatment in the Canadian market, would increase the sale of many American products, notably automobiles, machinery, etc.

Solve Ports Problem
From Our Own Correspondent

OTTAWA.—Reports from Montreal to the effect that a reciprocity agreement has been reached with the United States cannot be confirmed here.

Officials state that the next step in the negotiations was to be a visit to Washington by Canadian trade and tariff experts, but this visit has not yet been arranged.

It is known here that in the past few weeks, the Canadian Government has sought to impress upon the Roosevelt administration the value of our intermediate tariff and that this has been thought to be a quick way to a completed agreement. But that the offer has been accepted, without prior direct negotiation, is news to Ottawa.

Aid to U.S. Ports

The advantage to the United States of the intermediate tariff would lie not only in a substantial lowering of duties but in the elimination of the present restrictions against trans-shipment of goods from foreign countries. Under the intermediate and general tariffs, such goods must come direct to Canada if they are to escape the general tariff. But if the United States is given the intermediate tariff there can be no obstacle to trans-shipment of goods under it, regardless of the country of origin. The disability under the Imperial preference, of course, would remain.

Alberta Taxes

An increased levy on net income will take effect at the $3,000 instead of the $5,000 level, according to new legislation introduced in Alberta. The new rates will become effective next year.

Head Office Montreal

Over 500 branches in touch with the business life of Canada.

BANK OF MONTREAL
Established 1817

MODERN, EFFICIENT BANKING SERVICE
.... the outcome of 117 years' successful operation ....

SIMPSON
SUPREMACY
COFFEE
100% PURE
COFFEE
FRESH ROASTED
THE ROBERT SIMPSON COMPANY LIMITED

SIMPSON
SUPREMACY
COFFEE
Lb. 45c

Whether you're tarrying in town or living at your summer residence, you'll find Simpson Supremacy Coffee has a rich, smooth flavor all its own. Simpson's blends it from seven high-grade coffees. Not only is it freshly ground for each individual order, it's blended to your individual taste by varying the quantities of the seven coffees used. Simpson's invites you to try a pound today. At 45c a pound.

Market - Basement

Simpson's
THE ROBERT SIMPSON COMPANY LIMITED

Drug Sales in Manitoba

In Manitoba, over 45 per cent of sales of drugs and drug sundries are made in stores other than druggists, but in Ontario the proportion is less than 6 per cent of the total.

Chinese Like Canadian Macaroni

Canadian macaroni is becoming a favorite dish with the Chinese. In 1934 imports into Hong Kong were greater than the combined imports from Italy and France.

A Travelling
Bank Account

Wherever you go, Banking Service awaits you if you carry a Dominion Bank Letter of Credit or Dominion Bank Travellers' Cheques. When abroad on business or pleasure they provide a safe and convenient means of obtaining money. Our offices in London and New York are always at the service of Canadian travellers.

436

THE
DOMINION BANK
ESTABLISHED 1871

C. H. CARLISLE, President
DUDLEY DAWSON, General Manager

Paid Up Capital $7,000,000
Reserve Fund and Undivided Profits $7,540,000

FAIR VOLUME IS PREDICTED CAN. MALTING

First 11 Months Volume Down 10% from Year Ago

DOMESTIC SALE UP

Increased Dividend Rate Not Yet Considered — United States Remains Biggest Export Outlet

Another good year is anticipated for Canada Malting Ltd., when the books are closed at the end of July. From the volume of business for the first 11 months of the current year something between last year's net profit of $3.12 per share and the $2 per share in 1933 is indicated.

The present dividend rate on the company's total capitalization of approximately 200,000 n.p.v. common shares outstanding is $1.50 per share. With the exception of 1930 when profits equalled $1.24 per share, this has been earned by a fair margin right through the depression. Last year's profits were the highest in a decade.

For the first 11 months of the current year it is understood that total volume is down about ten per cent from a year ago. All this shrinkage, however, has come out of the export trade. The improvement noted in the ratio of domestic to export sales, formerly about 50-50, has been continued throughout the year. Up to the end of June such domestic sale has amounted to 64 per cent of the company's plant capacity.

Dividend Policy

This increasing domestic demand is significant in view of the remarks of A. C. Matthews, president of Canada Malting, at the annual meeting of the company in Montreal last fall. At that time, in answer to a query regarding an increase in dividends, Mr. Matthews stated that the directors felt that such a step would not be justified until domestic sales showed more stability and a higher ratio in proportion to the more or less uncertain export demand. However, The Financial Post understands the question of increased dividends has not yet been considered.

Further sharp improvement in the domestic demand for malt is not expected in the immediate future, The Post understands, but rather a gradual growth over a period of years. While malt, the main output of the company, is used for a variety of purposes, brewers and distillers form the chief outlet.

Beer Sale Benefit

Following the hotel sale of beer in Ontario last summer, malt sales, as expected, took a spurt. But, with the new law now in effect practically a full year, it is felt that close to the maximum benefit under that law has been obtained. In some respects maximum benefits are over because much of the inventory accumulated in anticipation of the change has been sold. Moreover any novelty of the new law, which might tend to increase beer consumption, has by this time worn off.

On this account the export trade of Canada Malting is still considered of prime importance. United States remains the biggest buyer. It is understood that the company still regards this outlet as uncertain and has been expecting for some time to see sales restricted.

U. S. Outlook

At first the shortage of domestic malt in United States following the repeal of the Eighteenth Amendment two years ago permitted very extensive and profitable export from Canada. This was followed last year by a very short crop of malting barley across the line and the necessity of going outside again for supplies. Until the 1935 barley crop is available, Canada Malting expects the present export level to be maintained.

There is a duty of 40 cents per cwt. on malt entering the States from Canada. At present prices this is equivalent to about 10 per cent. No further increase in duty is expected under the present Washington administration. What is expected, however, is that with growing domestic production in the States, either barley or malt will get down to the same level as prevails in Canada. In this case the present duty would become an effective barrier.

Fanny Farmer Half Year Registers Improvement

Total sales of Fanny Farmer Candy Shops, Inc., for the first six months of this year were $2,214,889, compared with $1,852,434 in the corresponding period of a year ago.

Net profit for the period amounted to $159,558, as against $123,088 in 1934. June sales at $276,861 were up $55,047 from a year ago.

Ottawa Machinery Ready Newsprint Market Scheme

From Our Own Correspondent

OTTAWA.—Belief that the newsprint industry may find a solution to its problems in the Dominion Marketing Act lies behind the amendments to this statute which were put through in the closing days of the session. The Dominion government is now awaiting a request from representatives of the industry to apply the amended act.

As originally enacted in 1934, the Marketing Act applied to natural products largely direct from farm, forest or sea. The recent amendment changed the definition to include any such article wholly or partly manufactured or derived from a product of the forest. The intention was to remove all doubt as to whether or not newsprint would be included.

The next step must come from the industry. Ordinarily it would apply to Hon. Robert Weir, minister of agriculture, requesting that a scheme covering newsprint be worked out and put into operation.

This would be administered by a local board and the industry undoubtedly would nominate its members.

Once created, the local board would have complete control over export and interprovincial trade in newsprint. If supported by interested provincial governments the local board could control all phases of the industry. Markets could be rationed, prices regulated and excess capacity eliminated.

The belief here is that the industry will desire to have a fairly clear idea of how a board will operate before setting the marketing act machinery in motion.

ANGLO-CANADIAN TELEPHONE STOCK OFFERED AT PAR

New Canadian Holding Unit Has International Stake

From Our Own Correspondent

MONTREAL.—W. C. Pitfield & Co. are making an offering of Anglo-Canadian Telephone Co., 7 per cent cumulative preferred stock at par. This does not represent new financing.

Toward the end of last year Anglo-Canadian was formed under Quebec charter to take over control of B.C. Telephone Co., Point Roberts and Gulf Telephone Co., Dominion Directory Co. and Compania Dominicana de Telefonos, C. por A., formerly held by Associated Telegraph & Telephone Co.

Particulars of the issue follow:

Anglo Canadian Telephone Co.
7% Cumulative Preferred Stock

Capital—	Authorized	Issued
7% cum. pref. stock $50 par.	$5,000,000	$3,300,000
Class A stk. par $10	3,500,000	1,260,000
Class B stk., par $10	7,000,000	5,941,000

Company—Holding company for operating units in Canada, Philippine Islands, etc.

Balance Sheet—Combined current assets at the end of 1934 totalled $3,355,204 as against current liabilities of $883,922 or a net working capital of $2,471,281. Figures converted on basis of par of exchange.

Earnings—For four years ended December 31, 1934, average annual consolidated earnings after deduction of prior charges have been $549,789, equal to 2.73 times annual dividend charge on preferred stock. Premium on bond interest paid in sterling and United States funds not taken into consideration.

Offer—W. C. Pitfield and Co. at par and accrued dividend.

ENGLISH ELECTRIC PLANS TUBELIGHT PLANT IN CANADA

Diversifies Because Depression Hit Heavy Equipment Sales

In the annual report of English Electric Co. it is stated that sales in 1934 were 67 per cent ahead of 1933 and that orders at the end of 1934 were twice as great as a year earlier. That increase in volume came largely in the last half of 1934, says D. H. McDougall, president. The orders left over gave a decided impetus to 1935 business and the management hopes it may be sufficient to cut the 1934 loss materially or even to erase it.

An important development is the securing by the company of exclusive Canadian rights for manufacture and sale of a new type of electric illumination known as "tubelight." It will install a plant at St. Catharines to supply the Canadian market.

The company specializes in the manufacture and sale of heavy electrical equipment, such as motors, transformers and switchgear. Its business expanded until 1929 and then the depression cut this class of business down until in 1934 it was 20 per cent of what it was in 1929 for the whole industry. The company more than maintained its share of this business, Mr. McDougall states, but the board has decided that new products are needed to give diversification.

During the year the company revalued its fixed assets. As a result total dropped from $1.4 to $1.2 million after depreciation. Contracts and agreements are shown at $151,323. Earnings statement will be found on page 15.

Manitoba Power Centre

72 per cent of all the hydro-electric power sites in western Canada are located in Manitoba.

START PAYING DAIRY FARMERS CHEESE BONUS

Million Dollar Subsidy Will Compensate For Better Tariff

From Our Own Correspondent

OTTAWA. — Commencing with July, the Dominion government is attempting by a million dollar bonus payable this year to discourage production of butter and encourage the output of cheese. In this way it is hoped that both classes of dairy farmers may be enabled to reap the full advantage of the present tariff on butter.

Bonus 1.5 cts. Per Lb.

The bonus has been carefully calculated both as to amount and as to its probable consequences. Using approximate figures, and converting products to a common milk basis, Ontario and Quebec farmers have been receiving about .7 cents per lb. for milk sold to creameries to be converted into butter. Their return from milk sold to the cheese factories has been .6 cents.

The bonus will be paid at the rate of 1.5 cents per pound of cheese. On the basis of 100 pounds of milk making 11 pounds of cheese this means that bonus will equal .165 cents per pound of milk going into cheese. Thus the price for such milk will be brought up to .765 cents at present market values or above the figure received on a milk basis for that going into butter. It is possible, of course, that increased production of cheese may depress British prices and render the subsidy ineffective, but the output of cheese in Canada has been falling in recent years and this result is not expected. Annual cheese production is under 80 million pounds and obviously this was the basis of the calculation in fixing the bonus.

Tariff Failed

Behind this million dollar bonus is a story, partly revealed in the speeches of Hon. Robert Weir in the Commons, of tariff which failed to yield results. In 1930, the Conservative party pledged itself to free farmers from competition with New Zealand butter. The tariff on New Zealand butter under the Liberal regime had been 1 cent per lb. The Conservative party raised it to 8 cents, thus effectively shutting out imports. The inflow fell from 38 million pounds in 1930 to 2,873,562 lbs. in 1934.

But higher domestic prices following protection so stimulated butter production that in recent years the country has been on a near export basis. Prices have fallen and the normally profitable winter market has been distinctly nervous.

Ottawa hopes that the new subsidy will turn farmers away from butter and into cheese and thus enable them to reap higher returns both ways.

Canadian Celanese Sues Eastern Shirt Co., Truro

From Our Own Correspondent

MONTREAL.—Canadian Celanese Ltd. has entered action asking for a permanent injunction and damages of $50,000 against the Eastern Shirt Ltd. of Truro, N.S. and Montreal, alleging that the latter has infringed on two of their patents in respect to using certain materials for shirt collars.

Since the court is on long vacation, the defendant's plea need not be filed until September. In the meantime, the plaintiffs are not applying for an interim or interlocutry judgment.

Creamery Butter

Manitoba shipped 403 carloads of creamery butter out of the province last year.

DOSCO'S HEAD IS OPTIMISTIC OVER OUTLOOK

Sir Newton Moore Hopes to Market Ore in U. K. —Other Units Progress

From Our Own Correspondent

MONTREAL. — Indications are that the British market is opening up for Dosco's Wabana iron ore, according to a statement made by Sir Newton Moore, president of Dominion Steel & Coal Corp., on his return from a business trip to England.

In the past four or five years purchases of this ore in England have fallen off to very small proportions, he said, but recent negotiations hold promise of revival of demand by English steel manufacturers. In the meantime, however, he noted that Germany, once the leading consumer of the company's iron ore, has been forced, largely owing to foreign exchange conditions, to cease purchasing. Contracts remain in effect and Sir Newton is hopeful that a righting of the monetary situation will permit a resumption of that business.

Steel Exports Less

At present a certain amount of export steel business is being secured by Dosco, but the total for 1935 will probably fall short of last year's tonnage, according to Sir Newton. The corporation, he stated, has recently received a 10,000-ton rail order for South Africa and has since tendered for a new enquiry for about the same tonnage.

Domestic steel demand shows some improvement, he indicated, but is still considerably below normal. Coal, he added, is now moving up the St. Lawrence in satisfactory volume, although not quite up to the tonnage of last year, due, to some extent, to delayed shipments, which in turn reflected some delay in the opening of navigation.

During the week ended July 13, nine vessels discharged 73,000 gross tons of coal at Montreal. This, according to Sir Newton, is the largest tonnage ever discharged at this point in one week.

Dosco's Sydney steel plant is expected to operate at about 60 per cent of capacity for this year, which contrasts with approximately 63 per cent last year.

Tribute to Company Made in Post Stamp

The trademark of the Home Fire & Marine Insurance Co. is to be featured by Washington postal authorities on a new 20-cent American stamp. The trademark is a picture of a full-rigged ship entering San Francisco harbor through the Golden Gate at sunset.

The Home Fire & Marine, established in 1864, is a member of the prominent Fireman's Fund group, which is well known in eastern Canada.

DOMINION COAL STARTS DIVIDEND ON NEW STOCK

Half Yearly Payment Declared on New Preferred Issue

From Our Own Correspondent

MONTREAL.—In line with expectations, Dominion Coal Company's directors have declared an initial dividend on the new preferred shares of the company covering the half-year period ended March 31, 1935. This payment is being made on the new shares which are of $25 par value, carrying a cumulative dividend of 6 per cent, or $1.50 per annum. The current declaration, therefore, is for 3 per cent, or 75 cents per share, payable on August 10 to shareholders of record July 31.

This is the first payment made by Dominion Coal Co. to its preferred shareholders in nearly eight years. It will be recalled that the former capitalization of the company consisted of 30,000 shares, par value $100 each, carrying a cumulative dividend of 7 per cent. The stock was in arrears of dividends to the extent of nearly $80 a share when the company put forth a plan of capital readjustment, with a view to wiping out the arrears of dividends, so that dividend payments might be resumed.

The plan put forward by the company and approved by shareholders provided for reduction in the common stock from $15 to $12 millions, and increasing the preferred stock from $3 millions to $6 millions. The par value of the preferred was reduced from $100 to $25 and new stock was issued in the ratio of eight shares for each share held. In this way, the dividend arrears were capitalized and the way opened for resuming regular dividend payments.

Care of Property

Our entire personnel is organized for a single purpose—the care and management of the property of our clients.

◇

A Conservative Trust Company for the Public's Service.

Crown Trust Company
393 St. James Street, Montreal

MONTRÉAL
MARKET DISTRICT
Grand'Mère
Shawinigan Falls
TO QUEBEC
N
Louiseville
Trois-Rivières
Victoriaville
Ste. Agathe
Joliette
Sorel
Drummondville
St-Jérome
Terrebonne
Vercheres
Papineauville
Montebello
Buckingham
Masson
Lachute
Hawkesbury
MONTREAL
St. Hyacinthe
Quyon
Hull
OTTAWA
Vaudreuil
Granby
Sherbrooke
Magog
Valleyfield
St. Johns
Ormstown
Huntingdon
M.M.D.
CALLING ALL MANUFACTURERS!
CALLING ALL MANUFACTURERS!
CALLING ALL MANUFACTURERS!

Let's talk of sales — big, steady, profitable sales. Just close your eyes and imagine you see your product blanketing a market of nearly two million people. Can't you see those people all buying, all coming back for more when what they buy is consumed, all insisting they won't take any other product than yours?

A dream, you say? No! It's true!

The market we're speaking of is the **Montreal Market District** (Montreal proper, greater Montreal, and the rural and urban subsidiary markets surrounding it). The people here are predominantly French speaking. Urban average is 66.9% French and rural average is 85.5% French. If your sales message is to be effective, it must be in French — the language of the majority of buyers. This is an easy market to sell and keep sold when you know how to go about it right!

But — don't make the mistake of considering this as **just another market** to be handled as a **usual** sales area. **It isn't.** It's a market with a ring around it. Outside is the rest of Canada. Inside is a market of

A MILLION AND A HALF PEOPLE
Who Live and Think in FRENCH!

And FRENCH, of course, is the language they **read**. Why not? Their whole background is French — history, language, home life, stores, churches — everything!

Yet, the requirements of these people are no different from those of the other markets you know. They live just as you and your friends live and they want the same things. They may be a little more partial to the printed word. They may read their French newspapers a little closer than you do with the multiplicity of publications clamoring for your attention. (The Canadian overflow of American publications, and the Quebec overflow of those from other provinces, being in English, does not affect French readers nor is their place adequately filled by the limited coverage of auxiliary French media.) They are more easily sold on the products they see advertised in their own language because they are quick to appreciate your regard for their native tongue. But, apart from these considerations, they are much the same as the people of any other market.

1,996,255
72.8% FRENCH

THE ONLY MARKET
OF ITS KIND
IN THE WORLD

● **You'll understand this market better if you look on it as an outside market right at home. That's about what it amounts to!** ●

Are you interested in selling your wares in this market where 72.8% of the population is French? We could swamp you with a lot of detailed statistics but you know, as well as we do, that statistics don't necessarily mean results. A far more important factor is whether or not your product gets the sympathetic understanding of the people to whom you wish to sell it. The only way to get your message across to a French speaking customer is to express it in a way he will fully understand it. That way is French.

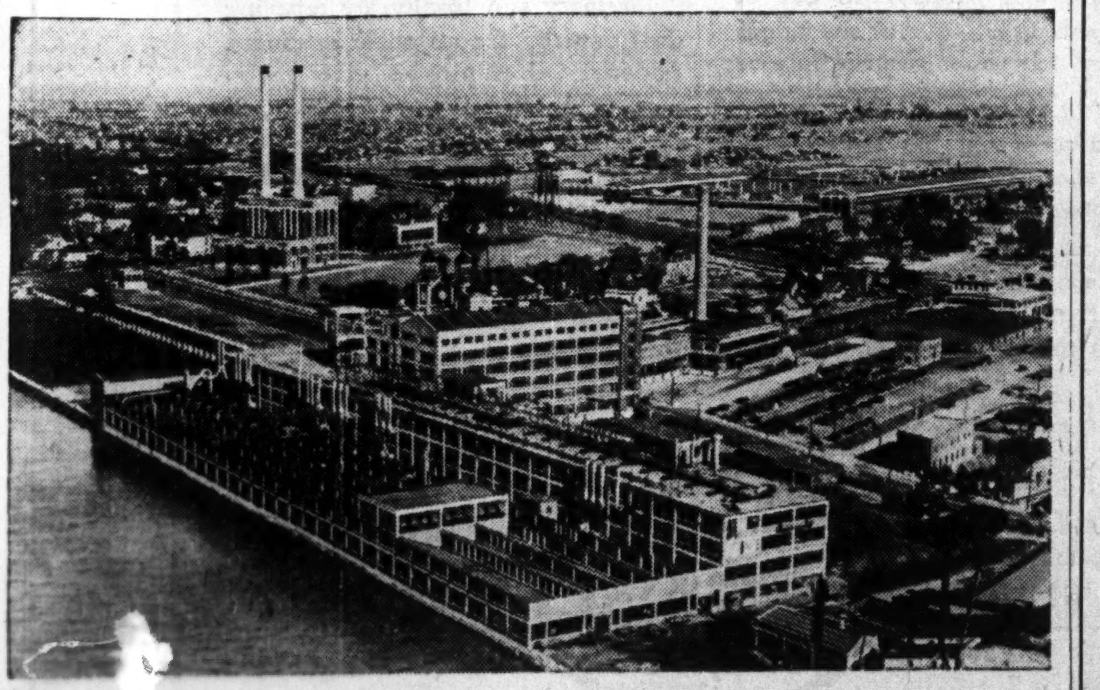
The first lesson to be learned in successfully appealing to this market—this FRENCH market—is that it can only successfully be appealed to in its own language—FRENCH!

Correspondence is invited on any specific points relating to marketing conditions in the French Montreal Market District. Address:—Business Manager, La Presse, Montreal, Canada's French National Newspaper, or

S. L. Rees, 213 Metropolitan Bldg., Toronto, Ont.
Clougher Corporation, Ltd., 26 Craven Street, London, W.C.2.
William J. Morton Co. { New York Office: 200 Fifth Ave.
Chicago Office: 410 N. Michigan Ave.

YOU MAY BE STRONG ENOUGH IN ONE LANGUAGE, HOW ABOUT THE OTHER?

Ford of Canada Seen from the Air



The above airplane photograph gives a bird's-eye view of the body factory and home office of the Ford Motor Co. of Canada, Ltd., at Windsor, Ont. The power house with the twin smokestacks in the left background is being gradually modernized at a cost of $2 millions. The machine shop and final assembly building, which cover 13 acres, are seen in the centre background. At the extreme left of this building is the new electric furnace foundry, built this year at a cost of $500,000.

Bank Chat

Mr. Hepburn Proposes

DURING the past week, Ontario's Mr. Hepburn is credited, or debited, with the statement that he was prepared to so amend the Ontario laws that the Provincial Savings Offices would make loans to needy municipalities at rates lower than those currently charged by the banks. Of course, the statement was made before representatives of municipalities of the province and on that account might be construed by some as being of the nature of political propaganda. Mr. Hepburn, however, has a habit, fortunate or otherwise, of putting into effect some extremely radically sounding schemes, so that it may be as well to accord this latest consideration.

* * *

Tight Money

ACCORDING to reports from Alberta, statements emanating from exponents of social credit and those made by U.F.A. members of the legislature last session regarding a 50 per cent cut in all mortgages, have combined to make money even more difficult to obtain than has been the case. Many of the larger loan companies have adopted a waiting policy, five having definitely cut off loans until after the election.

* * *

Wrong Names

COUNTERFEIT five-dollar Bank of Montreal notes have made their appearance in Toronto. A former sign painter admitted that he was responsible for the artistic creations, having painted the bills with ordinary brushes. They were fairly good counterfeits but the artist made one mistake. The signatures were those of the president and general manager of the Royal Bank, not the Bank of Montreal. He admitted that his memory was not as good as it might be. "I'm an artist and sign painter," he declared, "I'm not a regular counterfeiter."

* * *

Appetizing Advertising

A DEPARTURE from the traditional appeal for deposits in bank advertising is noted in a California newspaper. In its new campaign the loaning function of the bank is featured, with copy reading as follows: "Have you wool, wheat, barley, canned goods or dried fruit, beans, rice or any staple commodity, from any place or section? . . . If your product is in a bonded warehouse, we will be pleased to loan liberally on any of the above . . . You may come in person—or communicate by mail."

* * *

Mr. Stevens and Credit

IT IS interesting to note that Mr. Stevens is side-stepping social credit as an election plank for his new fourth party. When questioned in regard to the Aberhardt social credit scheme in Alberta, Mr. Stevens stated that he would not adopt any of the various schemes for monetary reform. He is quoted, "I believe the subject is so complex that it will require the most careful consideration before any action is taken. I have repeatedly said that I believe there must be a correction of the present overwhelming concentration of credit in the hands of a few, and that in the use of the nation's surplus wealth the welfare of the people must be considered." Which is a particularly fine illustration of political manoeuvring — non-committal yet with a hint of possible satisfaction to both reformists and reactionaries.

* * *

Staff Changes

The Imperial Bank of Canada announces the following staff changes:

R. G. WILKINSON, manager of the Adelaide and Victoria, Toronto, branch for the past 14 years, is shortly retiring, having completed 44 years in the bank's service.

C. R. GREEN, formerly manager of the King and Sherbourne, Toronto, branch, to be manager at Adelaide and Victoria branch, Toronto.

O. L. METLER, formerly of the head office inspection staff, to be manager of the King and Sherbourne branch, Toronto.

The Bank of Montreal announces the following appointments:

T. R. GILBERT, formerly assistant manager at Quebec to be assistant superintendent of Manitoba district, Winnipeg.

E. E. RUTHERFORD, formerly at head office, to be assistant manager at Quebec.

J. MacRAE, formerly at head office, to be assistant superintendent Quebec and Maritime districts, head office.

J. M. DELANY, formerly of the superintendent's department, Winnipeg, to be manager at Morley and Osborne branch, Winnipeg.

O. T. WEBSTER, formerly accountant at Upper Town, Que., to be manager at Bury.

W. R. WELLS, formerly at Halifax, to be manager Curling, Nfld.

R. P. GENDREAU, formerly accountant at Chicoutimi, to be manager at Arvida.

H. SUTHERLAND, formerly at Winnipeg, to be manager at Chateau Lake Louise.

J. H. CHASELEY, formerly manager at Medicine Hat, to be manager at Banff.

J. J. IRWIN, formerly manager at New Denver, to be manager at Nanaimo.

F. M. BRADY, formerly of the superintendent's department, Vancouver, to be manager at New Denver.

R. E. ENGLISH, formerly assistant superintendent at Winnipeg, to be manager at Windsor.

E. W. ALEXANDER, formerly manager at Davidson, to be manager of McGregor and Selkirk branch, Winnipeg.

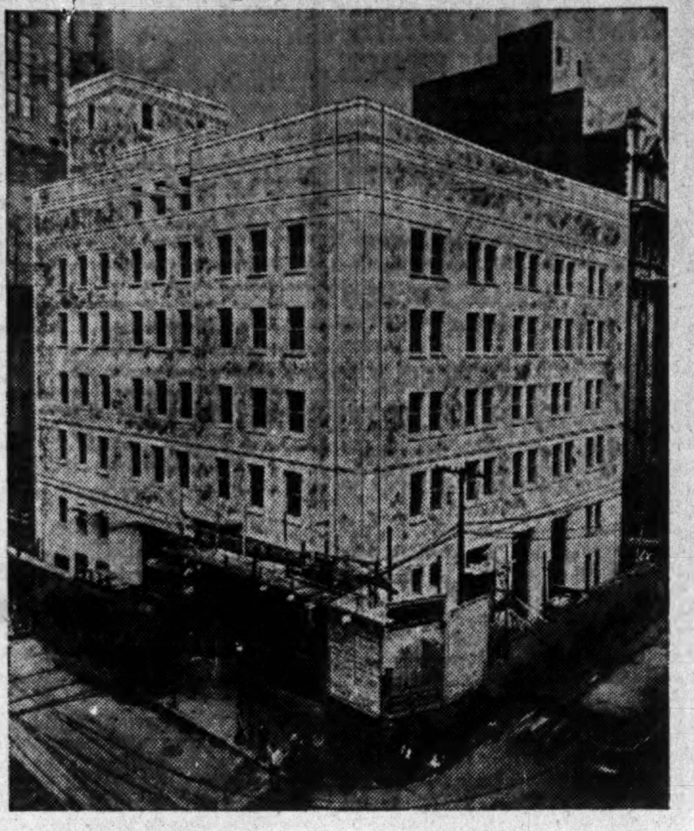
V. R. PURSER, formerly at Winnipeg, to be assistant to the manager of staff department at head office.

The Bank of Montreal has announced that D. I. MacLEAN, formerly at the King and Yonge, Toronto, branch, is retiring from active service after 45 years association with the bank.

1934 Automobile Deaths

Deaths from automobile accidents in 1934 show a reversal of the downward trend from this cause which had been generally manifested since 1930. They numbered 1,108 as against 955 in 1933 and 1,120 in 1932. The death rate from this cause was 10.2 per 100,000 population as compared with 9.0 in 1933 and 10.7 in 1932.

New Imperial Bank Head Office



New Imperial Bank head office building at King and Bay Streets, Toronto, is rapidly taking shape. Stone work, with the exception of the main doorway is practically finished. Officials hope to occupy the bank in time for the next annual meeting of the bank in November. During the course of construction the building has been occupied continuously by a branch which will be moved into the new section within the next month.

The present location on Wellington St., a stone's throw from the old city hall, docks, railway station, court house, etc., has been the bank's headquarters since 1876. This old building has a distinguished financial history, having previously housed the Produce Exchange, the Stock Exchange and the Board of Trade. The change to the new location illustrates the westward development of Toronto's financial centre.

The new building is situated in the heart of the city, and is within ready access of practically all important financial institutions. On the opposite side of Bay St. is the head office of the Bank of Toronto, while the property on a third corner was purchased some years ago by the Bank of Nova Scotia with a view to erecting its main office.

Bank of Canada Weekly Statement

This week's statement of the Bank of Canada gives effect to the revaluation of gold under the Exchange Fund Act. As a result, gold reserves were increased by over $73 millions, of which more than $10 millions were credited to the chartered banks. Government deposits show an increase of only $12 millions, but the remainder of the profit accruing through the revaluation has probably been used in reducing government securities held by the bank. These fell during the week by well over $51 millions. Revaluation has also resulted in the ratio of net reserves to notes and deposit liabilities jumping from 43.01 per cent to 64.52 per cent.

Balance Sheet

Weeks Ending:	July 11	July 3
Liabilities	$	$
Capital paid-up ..	5,000,000	5,000,000
Notes in circ.	76,882,077	76,782,693
Dep.: Dominion ..	35,435,569	24,583,962
Banks	183,168,815	171,305,886
Other	919,777	513,705
Total deposits	219,524,161	196,403,553
Sundry liab.	4,222,375	4,216,000
All other liabs. ...	954,821	843,452
Total liabilities ...	306,583,434	283,245,698
Assets		
Reserve: Gold	180,179,470	106,671,415
Silver bullion ..	1,184,071	1,155,048
Res. in sterling .	211,357	208,430
Res. in U. S. ...	13,895,536	13,677,022
Res. elsewhere .	4,189	3,443
Total reserve	195,474,623	121,715,358
Subsidiary coin ...	354,775	352,555
Adv. to Govt.	4,222,375	4,216,000
Adv. to banks	1,000,000	1,000,000
Investments:		
Dom. govt. short.	19,031,987	30,523,794
Other Dom. govt.	79,902,815	119,902,815
Total invest.	98,934,802	150,426,609
Premises	115,916	115,770
All other assets ...	6,480,943	5,419,405
Total assets	306,583,435	283,245,698
Reserve ratio	64.52%	43.01%

161 United States Banks Opened in 6-month Period

It is reported by the American Banker that during the first half of 1935 a total of 161 banks were opened for unrestricted operation in the United States. Of these, 31 were under national charter and 130 were state-chartered institutions. Most were banks representing reorganizations and replacements of institutions closed during the 1933 banking holiday.

It is believed that the number of banks which may still be reopened is now comparatively small.

Weekly Bank Clearings

	July 11 1935 $	Change year ago %	July 4 1935 $
Halifax	2,514,148	— 5.8	2,350,061
Saint John .	1,734,850	— 16.3	1,611,498
Moncton ...	713,109	+ 10.0	671,772
Sherbrooke	695,831	+ 16.0	621,851
Quebec	4,315,789	— 6.4	4,450,002
Montreal ..	84,035,934	— 9.3	99,934,448
Ottawa	30,360,387	+440.0	18,931,694
Kingston ..	627,180	+ 6.3	825,779
Peterborough	781,343	+ 5.6	756,417
Toronto	105,083,795	+ 1.5	121,701,099
Hamilton ..	3,900,054	— 0.2	4,350,027
Kitchener ..	895,461	— 16.5	1,020,981
Brantford ..	1,082,208	+ 13.2	1,180,116
London ...	2,823,562	+ 13.5	3,232,743
Chatham ...	453,290	+ 4.9	453,721
Windsor ...	2,033,512	— 2.9	2,407,184
Sarnia	504,992	+ 19.8	460,012
Sudbury ...	755,149	— 8.8	659,912
Ft. William.	597,788	— 11.8	550,582
Winnipeg ..	52,378,821	— 24.8	61,578,247
Brandon ...	353,825	+ 1.8	304,763
Regina	4,024,951	+ 52.2	3,941,418
Moose Jaw .	469,520	+ 2.3	638,911
Saskatoon .	1,473,610	+ 16.7	1,425,845
Pr. Albert .	350,342	+ 28.7	350,692
Edmonton .	3,771,641	+ 2.7	4,178,212
Calgary	5,822,896	+ 20.9	5,647,743
Medicine Hat	259,208	+ 32.4	256,880
Lethbridge .	441,573	+ 24.2	556,662
N. W'minster	496,796	— 9.4	944,556
Vancouver .	14,565,982	— 3.0	15,585,688
Victoria	1,205,965	— 25.5	1,662,364

Foreign Exchange Markets

FOREIGN EXCHANGE AT TORONTO AND MONTREAL

	Par $	July 9	July 10	July 11	July 12	July 13	July 15
U. S. dollar, High	.5906	1.00 5/32	1.00 5/32	1.00 5/32	1.00 3/16	1.00 3/16	1.00 5/32
Low	.5906	1.00 3/32	1.00⅛	1.00 3/32	1.00 3/32	1.00 3/32	1.00⅛
1934, High	.5906	.99⅛	.99⅛	.99	.99	.99	.98 31/32
Low	.5906	.99	.99	.98 31/32	.98 31/32	.98 31/32	.98⅞
U. K. pound	4.8665	4.97½	4.96¾	4.96½	4.96½	4.96¾	4.97
Argentina	.4246	.2654	.2654	.2655	.2655	.2650	.....
Australia	4.8665	3.9731	3.9661	3.9654	3.9654	3.9675	.....
Austria	.1407	.1908	.1908	.1908	.1903½	.1905	.1906
Belgium	.1392	.1696½	.1692½	.1692	.1694	.1696	.1696
Brazil	.1963	.0550¾	.0550¾	.0550¾	.0551	.0550¾	.0550¾
Czechoslovakia	.0296	.0421	.0420	.0419	.0419	.0419	.0419
Denmark	.2680	.2223	.2220	.2218	.2222	.2219½	.2221½
France	.0392	.0665¼	.0663¾	.0663¾	.0662¾	.0663	.0664
Germany	.2382	.4050	.4041	.4043	.4044½	.4045	.4046
Greece	.013	.0095⅜	.0095½	.0095⅜	.0095¼	.0095⅛	.0095
Holland	.4020	.6838½	.6829½	.6826½	.6830¾	.6833¾	.6834½
Hungary	.1749	.2984½	.2984½	.2989¼	.2975¼	.2974½	.2974½
India	.3650	.3801	.3787	.3786	.3779	.3780¾	.3781
Italy	.0526	.0827¾	.0826¼	.0825¾	.0824	.0825	.0824¾
Japan	.4985	.2934½	.2929¼	.2929¼	.2925½	.2924½	.2924½
Jugoslavia	.1929	.0231	.0231	.0231	.0231	.0231	.0230¾
New Zealand	4.8665	4.0132	4.0062	4.0053	3.0990	4.0070	4.0092
Norway	.2680	.2504	.2497¾	.2496¾	.2500	.2497¾	.2500
Poland	.1122	.1911	.1906	.1901	.1901	.1902	.1903
South Africa	4.8666	4.9516	4.9429	4.9419	4.9419	4.9444	4.9466
Spain	.1929	.1378½	.1374½	.1375	.1374	.1374½	.1375
Sweden	.2680	.2568	.2564	.2562	.2565¾	.2563	.2565
Switzerland	.1930	.3291	.3285	.3284½	.3282	.3282	.3286
Hong Kong	.5422	.5108	.5333	.5398	.5420	.5348½	.5258

Government,
Municipal, Public Utility
and
Industrial Bonds
•
List of current offerings furnished on request
NESBITT, THOMSON
and Company Limited
355 St. James Street, Montreal
Branches in all Principal Cities of Canada
119

Public Utility News

TRINIDAD UTILITY SEEKS DECISION SUPREME COURT

Canadian-owned Enterprise Opposes Arbitrators' Award

From Our Own Correspondent

MONTREAL.—Trinidad Electric Co., controlled by Halifax interests, has instituted proceedings before the Trinidad Supreme Court. It seeks setting aside decision of arbitrators to fix a $1,559,000 value on the company's holdings for municipal acquisition by Port of Spain City.

The company claims that its tramways and light system is worth nearly $3 millions. It is said that the arbitrators made no award on its original cost of acquiring the franchise and organizing operations, set respectively at $1.2 millions and $700,000.

Want Ruling on Validity

A court ruling on the validity of this claim is sought as the company's latest move in the long process of litigation. Hearing will likely take place in October. Meanwhile, the company will continue to operate its system, though its franchise expired in 1931.

Trinidad Electric's capitalization consists of $1,164,000 of common stock. No dividend has been paid on this security since July 10, 1930.

CANADA NORTHERN REPORTS PROGRESS

Activity in Northern Mining Areas Adds to Power Demand

From Our Own Correspondent

MONTREAL. — Maintenance of satisfactory progress in the operations of Canada Northern Power Corp. has been made possible by activities in the mining areas served by the company, according to statement sent out to the shareholders by the management, with the current dividend check on the preferred stock. Most of the established mines, the company reports, are being operated to capacity, some of which are adding to their equipment or extending their operations.

The letter to the shareholders continued: "In the northwest Quebec field the mill at Lamaque Gold Mines is being completed and placed in operation, thereby bringing that property into production, while similar result has been achieved in the property of Canadian Malartic Gold Mines.

Sell More Power

"At the Arntfield Gold Mines, mill construction has been practically completed and it is expected that this property will shortly be increasing its power demand.

"The return to better prices for silver has had the effect of stimulating operations in the Cobalt Camp, many small groups having undertaken search for ore considered unprofitable when silver was low in price.

"The utilization of electricity by domestic customers throughout the territory served by the company also shows a marked increase as indicated by sales of major appliances by the merchandising department."

Municipal Finances

Brantford tax collections up to July 6 totalled $727,937, of which $567,386 were on current account and $160,551 on account of arrears. These figures represent increases of $273,283 in current collections and $17,829 in arrears over those made in the corresponding period of 1934. The successful outcome of the tax drive has enabled the city treasurer to pay off $173,000 of the city's debenture interest and debt, to wipe out the 1934 overdraft of $160,000 and to pay $394,000 on current expenses. All but $70,000 of current 1934 and 1935 bank loans have been retired, and it is expected that this balance will be covered in the near future.

* * *

Montreal Metropolitan Commission's offering of $2,690,000 of bonds, made July 11, was heavily oversubscribed.

* * *

Edmonton faces a deficit of $900,000 this year, even with a 100 per cent tax collection, if a statement of Mayor Clarke is correct. Although some of the officials differ with this estimate, the mayor contends the figure is accurate. According to Mr. Clarke the total consists of $352,000 from federal government works loans which has been spent through current account, a shortage last year of $300,000 and a budgeted deficit for the year of $250,000.

* * *

Chicoutimi City has been authorized by the Quebec Municipal Commission to pay interest coupons matured on or prior to Nov. 1, 1933.

Montreal Port Record

Tonnage in and out of Montreal during 1934 established a new high record. Ocean and inland shipping was slightly below the 1933 figure, but coasting vessels almost doubled.

Abitibi Power & Paper
Company, Limited
TORONTO, ONT.
Owning and operating mills at
Beaupré, Que. Sault Ste. Marie, Ont.
Sturgeon Falls, Ont. Iroquois Falls, Ont.
Espanola, Ont. Smooth Rock Falls, Ont.
Pine Falls, Man. Fort William, Ont.
Daily Capacity 2,200 Tons Newsprint
Groundwood Pulp News Sulphite Pulp
High Grade Bleached Sulphite Pulp

S. C. POWER FORESEES LARGER EARNINGS

Expect Rate Reductions Will be Overcome by Added Consumption

From Our Own Correspondent

MONTREAL.—Demand for industrial power in the territory served by Southern Canada Power Co. continues to increase, according to a letter sent to the shareholders. The management reports this to be indicative of increased sales which in turn will react favorably on the company's domestic and commercial revenue. Accordingly, it is expected that the gross revenue, which still shows the effect of the recent rate reduction, should in time more than fully recuperate.

Industrial conditions in the territory continued to show improvement, the report says, and U.S. firms still show considerable interest in the possibility of operating in Canada, although the unsettled conditions are retarding this movement at the present time. Substantial additions, however, are being made to several existing industries.

Output on the system has been increasing month by month and in order to keep well apace with this and future growth, the capacities of the distribution facilities of numerous municipalities have been increased by the addition of new feeders, the substitution of larger wires and the installation of larger transformers. In St. Johns, the lines have been rehabilitated and the voltage of distribution has been raised from 2,300 volts to 4,000 volts, thus increasing capacity and ability to serve.

Associated Telephone Eliminate Bank Loans

From Our Own Correspondent

MONTREAL.—All bank indebtedness of Associated Telephone and Telegraph Co., reported in its balance sheet of December 31 last at $2,135,000, is understood to have been repaid.

In the last financial statement, the company showed consolidated current assets of $13.1 millions, including $2.9 millions cash on hand against current liabilities, including bank loans, as above mentioned, of $5 millions.

Inter. Carbo-Ice Ltd. Customers Increase to 291

In last week's Post it was stated that customers of International Carbo-Ice had increased from 89 as at March 31 to 91 as at June 15. This was a typographical error, the actual increase being from 89 to 291.

Vancouver Shipping

In 1934, Vancouver shipped more logs and lumber than in any previous year since 1929, while a record for deep-sea tonnage was made.

GYPSUM, LIME ADJUSTS VALUES ON STATEMENT

Goodwill Bond Discount and Other Items Written Down

From Our Own Correspondent

MONTREAL.—Shareholders of Gypsum, Lime and Alabastine, Canada, have approved a by-law to write down goodwill and other items to present-day values and to write off bond discount and cumulative deficit, the effect of which reduces the book value of the outstanding no par value shares to $5 a share.

In asking the shareholders to approve the by-law, George A. Dobbie, vice-president of the company, emphasized the fact that there would be no reduction in the number of shares outstanding or their actual value, neither are any of the assets being disposed of. Goodwill and patents owned by the company, while being written down to a normal amount, are still regarded as of intrinsic value.

The items affected by the by-law are as follows, the figures shown being the amount written off:

Patents	$ 61,278
Bond discount	200,818
Goodwill	725,942
Trustee stock	227,162
Deficit	504,887
Advances & invest. in subsids. ..	167,035
Sundry assets	34,082
Plants and properties	848,573
Mines, mine devel. quarries, etc.	1,213,400
Total	$3,983,177

In regard to operations, F. Andrews, general manager, told the shareholders that from an operating standpoint there would be a decrease in charges resulting from the revaluation of assets, and particularly those required for taxes, insurance and provision for depreciation and depletion. It was also stated that the sales volume showed a slight increase over last year to date, and that prospects for the balance of the year would indicate a more profitable year than 1934. The English plant, he said, is operating at capacity and is showing a substantial net monthly profit.

Eastern Car Co. Seeks Bonds for Sinking Fund

From Our Own Correspondent

MONTREAL.—Eastern Car Co., one of the companies in the Dosco set-up, will receive offers up to July 27, from persons willing to sell the company's own first mortgage bonds to the extent of $35,620. This is in compliance with the requirements on the issue.

At the end of last year, Eastern Car Co. had outstanding about $600,000 of first mortgage bonds, compared with original issue of $1 million made in 1912. Both the interest and principal on these bonds are unconditionally guaranteed by Nova Scotia Steel and Coal Co., which is now in receivership.

Canada's Strongest Investment—
Dominion of Canada Bonds

An interest return of 3.10% may be obtained from the strongest investment available to Canadians.

Dominion of Canada 3½% Bonds, due October 15th, 1949 (callable 1944, at 100) yield an interest return of 3.10% at the price of 103.25 and interest. Denominations: $100, $500 and $1,000.

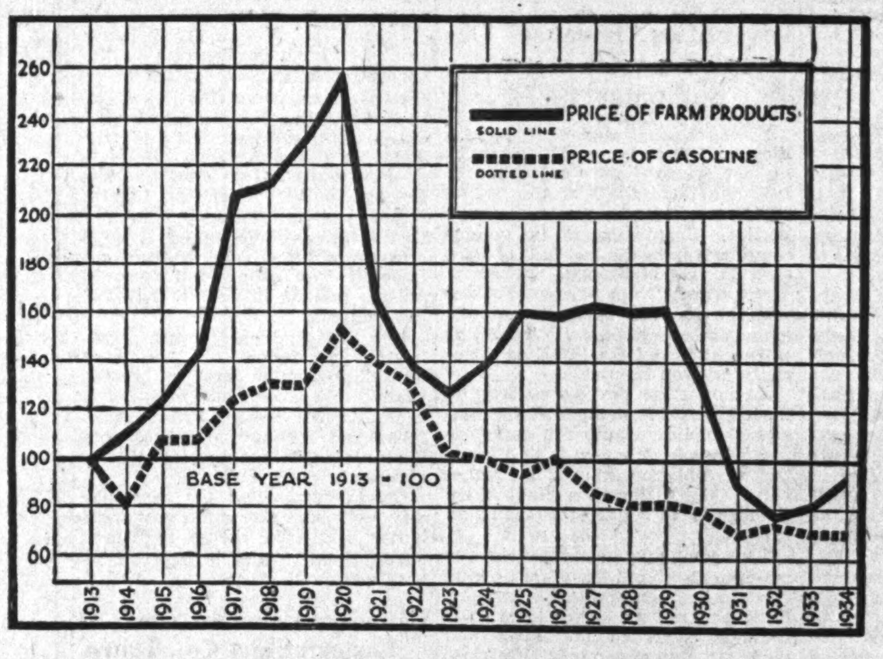
It is convenient to order by mail.

Wood, Gundy & Company
Limited
Toronto Montreal Winnipeg London, Eng.
36 King Street West Toronto Telephone: Elgin 4321
Ottawa Hamilton Vancouver London, Ont.

Radio Sales in Maritimes

Sales of radio receiving sets in the Maritime Provinces during the first quarter of the year are reported numbering 1,497 for 6.4 per cent of the Canadian total.

1866 1935
BRITISH AMERICAN
BANK NOTE COMPANY
LIMITED
THE OLD CANADIAN COMPANY
Contractors to Canadian Banking.
HOWARD W. PILLOW
President
CHARLES G. COWAN
Vice-Pres. & Man. Dir.
G. HAROLD BURLAND
Sec.-Treas.
HEAD OFFICE : OTTAWA
262 Wellington Street
511 Place d'Armes
MONTREAL
1110 Bank of Hamilton Bldg.
TORONTO



The depressed price of farm products is a problem with which everyone is familiar, but on the 1913 basis farm product prices have never been as low as gasoline. Between 1913 and 1920 gasoline did not rise in price to nearly the same extent as farm products, yet since 1920 its price has almost continuously declined. The data for the above graph are based on figures published by the Dominion Bureau of Statistics.

FAIR LABOR POLICIES BENEFIT THE CONSUMER

WORRY and unhappiness are enemies of efficiency. We have always tried to be efficient and years ago we said, "to the greatest extent possible let us get worry and unhappiness out of this organization — out of the minds of every man and woman in our employ."

So Imperial Oil has always paid high wages. It set up sickness and death benefits, a pensions plan and group insurance for its workers. It made it easy for them to share ownership in the Company. It gave them a voice in the discussion of Company policies that directly affect them. It introduced the forty-hour week, thus increasing the number of those who work for the Company.

Efficiency and loyalty are repaying the Company for all these measures. Imperial Oil employees give generously of their hands and minds because they are well treated. They feel secure and this feeling is reflected in their work and in the high quality and lower cost of the products they make. The consumer benefits, the employees benefit and the Company benefits by these policies.

IMPERIAL OIL LIMITED
THE SIGN OF IMPERIAL PRODUCTS A FAIR DEAL

BOND MARKET STILL STRONG, FAIR VOLUME

Index Up Fractionally With Steady Demand Here and Abroad

More ground was regained by the gilt-edged bond market in the last week. The Financial Post index of seven high class securities rose well beyond the 113 mark or within four-fifths of a point of the 1935 high reached in the first few days of January.

Ever since the rather weak market in June both volume and price have been improving, though the former is still described as fairly small. It is admitted in most quarters that the market is rather narrow and that any extensive movement either to buy or sell would soon be reflected in present quotations.

Nevertheless the present market is definitely on the firm side. The recent sale of $20 millions of Dominion Government 3-months treasury bills at 99.65211, which constituted the cheapest money borrowed in years, well illustrates the abundance of funds seeking employment.

Funds have been steadily accumulating in the last few months and in the absence of scares since the Ontario Hydro and Vancouver troubles last spring, buyers have been exhibiting more confidence.

The fact that very little new financing is in prospect has also been a strengthening factor. In this connection the only noteworthy development was the offering this week by the Saskatchewan government of $4 millions due 1960. These were offered at 90.45 to yield 4.65 per cent.

A fair demand for Canadian bonds of the highest type is reported from London and New York. Recent strength of sterling has increased the attractiveness of Canadian issues to the Old Country investor.

Comparisons of The Financial Post averages for high-grade bonds follow:

Average Yield and Price for Seven High Grade Canadian Bonds

1935	Yield %	Price $	1934	Yield %	Price $
			July 17	3.846	110.07
July 16	3.491	113.16	July 16	3.841	110.14
July 15	3.493	113.12	July 14	3.841	110.14
July 13	3.495	113.08	July 13	3.841	110.14
July 12	3.498	113.06	July 12	3.843	110.11
July 11	3.501	113.04	July 11	3.850	110.01
July 10	3.505	113.01	July 10	3.861	109.89
Jan. 2	3.381	114.85	Jan. 2	4.517	102.54
Year's	3.367	114.97	Year's	3,373	115.00
Range	3.608	112.10	Range	4.517	102.54

Louisiana Land Stock Listed on Montreal Board

From Our Own Correspondent

MONTREAL. — Montreal Stock Exchange announces the listing of 3 million shares of $1 par value each of the Louisiana Land and Exploration Co. This company owns a large block of land in Louisiana and the mineral lease on another large section of property in the same State.

Investment Notes

Dominion Textile

MILL operations of Dominion Textile Co. for the 1935 fiscal year were at less than 50 per cent. During the last six months of the fiscal year, short time was the rule rather than the exception in all the plants.

In his report to the shareholders, Sir Charles Gordon, president, drew their attention to the difficulties experienced in the purchase of raw cotton. He pointed out that the agricultural policies of the U.S. Government resulted in the withdrawal from the market of large quantities of cotton normally available for purchase through the company's buying agencies, but a fairly large carry-over of cotton in the company's own warehouses from the previous year helped to relieve the situation.

The desire of the Lancashire cotton manufacturers to secure a greater share of the Canadian market, was also stressed by Sir Charles, who said that out of a total consuming market of 300 million yards, 64 million yards were supplied from Lancashire in 1934. This forced Canadian mills on to continuous part-time operation. The Lancashire operators, however, are asking for review of the current preferential tariff on cotton goods, with a view to securing further concessions. For detail of earnings see page 15.

* * *

Massey-Harris Coming Back

MASSEY-HARRIS Co. bonds, preferred and common stock all reflect to some extent the fact that sales have increased so far in 1935 about 22 per cent over 1934. The shares may not participate until some year when volume is very much higher but the progressive improvement of the last two years is heartening in view of the fact that the company shook free from the banks in 1934 and has written down bills receivable and inventories materially since 1929. The development of major improvements in important machines is probably the most encouraging factor.

T. A. Russell, president, however, states that "no radical improvement can be expected in its business until further improvement in the farmer's position enables him to obtain a reasonable return from his labor and investment." Massey-Harris's future, he says, is closely linked with that of agriculture and adds, "Without being unduly optimistic it does look as if a slow but steady progress is being made in agriculture, which would justify looking forward to the future with more confidence and hope than at any time since the depression began."

* * *

Page-Hersey Carries On

PAGE-HERSEY TUBES has suffered a severe loss in the death of its founder, W. W. Near. He carried on up to within a few weeks of his death. The business is well organized and carrying on along the lines laid down by Mr. Near and Hon. H. C. Scholfield during an association lasting practically throughout the lifetime of the company. Mr. Scholfield is vice-president.

The record to date in 1935 of Page-Hersey promises a fairly successful year. With some fluctuations it should maintain earnings on common. Building contracts have shown a considerable gain in the first half of 1935. This company naturally benefits.

* * *

Steel Wins Popularity Contest

F. O'HEARN & CO. started something when it asked ten leading Canadian brokers, five in Montreal and five in Toronto, to send a list of their favorite stocks. It was really a popularity contest and the result was a list of 35 stocks.

All ten brokers included Steel of Canada in their list, nine International Pete, eight Imperial Oil and British American Oil, six Dominion bridge and National Breweries, five Canadian Celanese preferred Montreal Power and Ford, four Smelters, three Nickel, Walkers, Seagrams, Page-Hersey, Canada Malting. All the other stocks had either one or two advocates and included some very important companies.

All these stocks are now selling at well under their all-time high and their earnings and prospects are good. That is also true of some of those which rank low in the list. It is true of some that do not appear in the list at all. It is probable that a different ranking would come if other brokers were asked. It is, however, an interesting list.

* * *

Distillery Stocks Move

DISTILLERY stocks keep moving. A lot of the buying is reported to come from the United States. It may be because of the growing demand from United States for aged Canadian stocks. The whisper runs around the street every day that the time is approaching when shipments will exceed anything since the United States went dry. It is claimed that the United States badly needs old stocks for cutting and blending.

The excitement will keep up in all probability until the end of the fiscal years of Hiram Walker-Gooderham & Worts, Distillers Corp.-Seagrams and Canadian Industrial Alcohol. Brewers & Distillers have not yet shared in the excitement because of the court case at Seattle still overhanging its former officers and a subsidiary.

Significant Investors' Index Numbers

1926 = 100

	Iron and steel	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied products	Beverages	Total industrials	Total utilities	Total co's.
No. of Securities	17	6	4	4	10	18	8	87	20	112
1929-34:*										
High	383.8	118.2	267.4	416.8	110.1	193.8	241.9	311.0	163.6	235.4
Low	36.8	1.4	34.9	78.3	24.0	68.5	27.3	44.0	30.5	38.6
Monthly Figures, 1935:										
January	129.4	14.0	71.5	181.5	75.8	134.2	106.8	129.7	50.4	90.5
February	126.4	13.4	67.4	197.7	75.6	131.3	109.1	128.8	49.4	89.6
March	117.0	11.6	56.0	176.0	74.1	126.5	101.6	125.6	45.1	86.1
April	119.4	11.1	56.9	178.6	73.1	125.1	99.6	130.8	43.8	88.5
May	121.9	10.8	59.9	211.7	70.3	127.8	102.4	144.4	44.4	96.8
June	118.6	10.5	58.4	217.9	67.2	127.0	104.7	145.2	45.0	97.1
Weekly Figures, 1935:										
July 4	121.3	10.8	56.6	209.6	65.7	127.5	108.4	141.7	44.5	94.8
July 11	121.3	10.6	57.5	213.6	66.8	127.3	112.8	143.2	44.4	95.7

*High and low of years from 1929 to 1934 inclusive are based on weekly figures. Compiled from figures issued by Dominion Bureau of Statistics.

Toronto Stock Exchange Index

	20 Indus.	20 Golds	20 Misc. Mines
July 16	107.86	102.80	90.65
July 15	109.29	103.24	88.67
July 13	108.86	103.33	88.38
July 12	108.57	103.02	88.37
July 11	108.03	102.26	88.99
July 10	108.13	102.19	88.63
Month ago	108.70	106.32	93.93
Year ago	97.94	128.26	94.70
High, 1935	113.99	123.68	103.99
Low, 1935	97.90	102.19	80.83

Montreal Averages

	10 Util.	20 Indus.	30 Comb'd
July 16	58.4	58.0	58.1
July 15	58.8	58.1	58.3
July 13	58.5	58.1	58.2
July 12	58.5	58.1	58.2
July 11	58.4	57.5	57.8
July 10	58.6	57.6	58.0
Month ago	59.7	59.5	59.5
Year ago	63.8	57.4	59.7
High, 1935	63.4	63.1	63.0
Low, 1935	56.1	56.0	56.7

Vancouver Law May Overcome Bond Impasse

From Our Own Correspondent

VANCOUVER.—Designed to circumvent the objections raised when a Supreme Court judge granted an injunction against the city's $1,500,000 bond issue, a new by-law has been hastily framed and passed by the council. The old by-law was repealed.

The new by-law provides for equal amortization of the bonds and removes the clauses charging the debentures in part against water rates. The council has legal advice that the bonds already sold may be readily exchanged for bonds of the new issue.

When the injunction was granted, about $1,200,000 of the issue had been sold after a three weeks sales drive.

Construction of a new city hall and other works have been halted by the litigation, but Mayor G. G. McGeer is all for proceeding with it as soon as possible. "Try to do something even if you are hanged for it," he advised his council at a recent meeting.

Bond Sales

Saskatchewan

Saskatchewan has sold an issue of $4,000,000 four per cent debentures maturing Aug. 1, 1960, to a syndicate headed by Dominion Securities Corp. The securities will be offered at 90.45 and accrued interest, to yield 4.65 per cent.

St. Jean Vinney

The parish of St. Jean Vinney, Montreal, has sold $110,000 of 4½ per cent serial bonds to L. G. Beaubien & Co., at 98.03.

L'Hopital Laval

L'Hopital Laval, Quebec, has sold two issues as follows: $360,000 3½ per cent serial bonds, maturing 1936 to 1935, to Ernest Savard, Ltd., at 96.21; $450,000 four per cent bonds, $200,000 maturing serially from 1937 to 1950 and $250,000 maturing on Oct. 1, 1950, to Lageux & Darveau at 98. The 3½ per cent bonds were subsidized under public charity funds.

Dominion of Canada

The Dominion of Canada has accepted tenders for $20,000,000 treasury bills due Oct. 15, 1935. The average discount price of the accepted bids was 99.65211, equivalent to a rate of 1,385 per cent.

Loblaws Name New Directors

F. K. Morrow

Following ratification of a by-law increasing the directorate from five to seven, F. K. Morrow and W. S. Arbuckle have been added to the board of Loblaw Groceterias, Ltd. Mr. Arbuckle was appointed to give representation to English interests who purchased the B stock held by the T. P. Loblaw estate. Former directors were re-elected.

Shareholders at the annual meeting gave authority to the board to appoint an executive committee to assume certain duties formerly carried out by the directors. In other respects the meeting was routine.

Expansion of the company's meat business through existing outlets was forecast. This development is looked for following the establishment recently of a new meat warehouse in connection with the company's central plant.

J. Milton Cork, president, stated that the American company in which Loblaw Groceterias has a stock interest is operating 78 units and that profits exceeded $190,000 last year. No dividends have as yet been paid by this company.

Kensington Manor Apts. May Pay Interest in 1935

Revenue of Kensington Manor Apartments was $9,975 in 1934, up $1,800 from the previous year. The increase was due to greater occupancy as rents have not been increased. Expenditures during the year amounted to $7,860.

The London and Western Trusts Co., receivers, state they expect to be able to make a payment on account of interest before the end of the current year. Management of the property will be continued until a sale or refinancing proposition that would be advantageous to the bondholders can be arranged.

Investment Foundation Pays Extra on Arrears

From Our Own Correspondent

MONTREAL.—Investment Foundation Ltd. has declared a regular quarterly dividend of 38c. a share, being at the rate of 3 per cent per annum, and a further dividend of 12 cents a share on account of arrears of preferred dividends. Arrears of dividends on the preferred stock now amount to $5.50 a share.

Based on current prices at June 30, 1935, the cumulative convertible preferred stock, with par value of $50 a share, had a liquidating value of approximately $55.50.

Dividends Declared

	This payment	Date payable	Date of record
Agnew Surpass, c.	20c	Sept. 2	Aug. 15
Do., bonus	20c	Sept. 2	Aug. 15
Do., pref.	$1.75	Oct. 1	Sept. 15
Beatty Bros. 1st p.	$1.50	Aug. 1	July 15
Beld. Cort. c.	$1	Aug. 1	July 15
Beld. Cort. pfd	$1.75	Sept. 14	Aug. 31
B. C. 'Phone 2nd pref.	$1.50	Aug. 1	July 17
Bank of Toronto	$2.50	Sept. 3	Aug. 15
Buffalo Ankerite	5c	Aug. 15	Aug. 1
Commun. Tr. c.	62½c	July 15	June 29
Can. Dredge, pref.	$1.75	Aug. 1	July 19
Can. Pub. Ser. p.	$1.25	July 2	June 15
Can. Bronze	15c	Aug. 1	July 19
Do., pref.	$1.75	Aug. 1	July 19
Can. Nor. Power	30c	July 25	June 29
Can. Indust. A & B	$1	July 31	June 29
Do., extra	75c	July 31	June 29
Can. South. Rly. c.	$1.50	Aug. 1	June 28
Can. Converters	50c	Aug. 15	July 31
Calgary Power, pf.	$1.50	Aug. 1	July 15
Dome Mines	50c	July 20	June 29
Do., extra	$2	July 20	June 29
Dom. Coal, pfd	†$1.75	Aug. 10	July 31
East. Theatres, pf.	$3.50	July 31	June 29
Guar. Tr. of Can.	$3.50	July 15	June 30
Humberstone Shoe	50c	Aug. 1	July 8
Imperial Bank	$2.50	Aug. 1	June 29
Inter. Utilities pf.	87½c	Aug. 1	July 20
Do., $3.50 pf.	43¾c	Aug. 1	July 20
Int. Nickel, pfd.	$1.75	Aug. 1	July 2
Montreal L. & Pr.	38c	July 31	June 30
Nat. Biscuit pf.	$1.75	Aug. 31	Aug. 15
Nat. Biscuit, c.	40c	Oct. 15	Sept. 13
Old Can. Invest. p.	5%	Aug. 5	July 31
Do., com. A	6%	Aug. 5	July 31
Penmans	75c	Aug. 15	Aug. 5
Do., pref.	$1.50	Aug. 1	July 22
Quebec Power	25c	Aug. 15	July 25
Rolland Paper, p.	$1.50	Sept. 2	Aug. 15
Royal Bank	$2	Sept. 3	July 31
Royal Trust	80c	July 31	July 31
Russell Motor pfd.	$1.50	Aug. 1	July 19
So. Can. Pwr. c.	20c	Aug. 15	July 31
Steel of Can.	43¾c	Aug. 1	July 6
Do., pref.	43¾c	Aug. 1	July 6
San Antonio Gold	7c	Aug. 1	July 15
So. Amer. Gold	10c	July 25	July 11
St. Law. Flour	50c	Aug. 1	July 20
Do., pref.	$1.75	Aug. 1	July 20
Toburn Gold	2c	Aug. 21	July 29
Un. Bond & Sh.	10c	July 15	June 27
Westn. Geo., pf.	$1.75	Aug. 1	July 20

†Initial, for halfyear ended Mar. 31, 1935.

Bond Redemptions

Bond Issues:	Rate	Date	Date	Price
Belding-Cort.	5%	1936	Nov. 1	105
Mond Nickel	5½%	1957	Aug. 1	103
Can. Cons. Felt	§6%	1940	Oct. 1	105
Tor. Housing A	▲5%	1953	Aug. 12	105
Mtl. L. H. Ref. B	5%	1970	Sept. 1	105
L'Hopital Laval	5%	Serial	Aug. 1	102
Can. Copper Ref.	6%	1945	Aug. 15	104
Ont. Power of Niagara Falls	‡5%	1943	July 20	†110
Dom. Tele. Secs.	*5½%	1978	Aug. 2	100
Dom. Canners	°6%	1940	Oct. 1	110
Eastern Car	•6%	1952	July 27	...

For sinking fund §$365,000. ▲$25,000. ‡$125,246. †Tenders not to exceed this price. *$2,700. °$62,600. •$35,620.

Stock Redemptions

	Date	Rate	Stock	Price
Nat. Telephone	Aug. 1	7%	pref.	†55

†In U. S. funds.

NEW ISSUE

$4,000,000

Province of Saskatchewan

4% Debentures

Dated August 1, 1935 Due August 1, 1960

Principal and half-yearly interest (February 1 and August 1) payable in lawful money of Canada at The Royal Bank of Canada in the Cities of Toronto, Montreal, Saint John, Winnipeg, Regina or Vancouver. Coupon debentures in the denominations of $1,000 and $500 with provision for registration as to principal. The Province will have the option of redeeming the debentures in whole or in part at par and accrued interest on August 1, 1955, or on any interest date thereafter by giving thirty days' notice.

Legal Opinion: Messrs. Long & Daly.

These Debentures will be direct obligations of the Province of Saskatchewan, and will be payable, principal and interest, out of the Consolidated Fund of the Province. The Provincial Treasurer advises that the proceeds of this issue will be used in part for the redemption of Treasury Bills and in part for Provincial works and undertakings.

The Order-in-Council authorizing this issue will provide for a Sinking Fund of one per cent. per annum.

Information regarding the financial position of the Province will be found in the official circular which is available on request.

We offer these Debentures if, as and when issued and accepted by us, subject to the approval of Counsel. Subscriptions will be received subject to rejection or allotment in whole or in part and the right is reserved to close subscription books at any time without notice.

It is expected that Debentures in interim form will be ready for delivery on or about August 1, 1935.

PRICE: 90.45 and accrued interest, to yield 4.65%.

The Royal Bank of Canada
The Dominion Securities Corporation Limited
McLeod, Young, Weir & Co. Ltd.
The Bank of Nova Scotia
Nesbitt, Thomson & Company Ltd.
Harrison & Company, Limited
Midland Securities Corporation Limited
Flemming, Denton & Company
Griffis, Fairclough & Norsworthy Limited
J. L. Graham & Company
Bartlett, Cayley & Company Limited,

A. E. Ames & Co. Limited
Bell, Gouinlock and Co. Ltd.
Imperial Bank of Canada
R. A. Daly & Company Limited
Hanson Bros. Inc.
Matthews & Company
Jas. Richardson & Sons
Gairdner & Co. Limited
Harris, Ramsay & Company
Gooderham, Mullin & Richardson Limited

The Canadian Bank of Commerce
Wood, Gundy & Company, Limited
Fry, Mills, Spence & Co. Ltd.
The Dominion Bank
Cochran, Murray & Co. Limited
Dyment, Anderson & Company
Eastern Securities Company Limited
T. M. Bell & Co. Limited
Irving, Brennan & Company, Limited
Brawley, Cathers & Co.
Johnston & Ward

Dominion Textile Company Limited

BOARD OF DIRECTORS

President: Sir Charles B. Gordon, G.B.E. *Vice-President:* Sir Herbert S. Holt
J. P. Black W. A. Black Sir Frederick Williams-Taylor J. G. Dodd
Managing Director: G. B. Gordon
Secretary: L. P. Webster *Treasurer:* R. A. Lang *Asst. Sec.-Treas.:* W. A. Eversfield

BALANCE SHEET

As at 31st March, 1935

ASSETS

Current:			
Cash on Hand and in Bank			$ 478,199.04
Bills and Accounts Receivable—Trade less Reserve			2,241,486.44
Accounts Receivable—Other			118,124.12
Inventories:—			
Raw Cotton, less Reserve		$1,822,828.66	
Merchandise and Supplies		2,360,789.57	
			4,183,618.23
As determined and certified by the Management, and valued— (1) As to Raw Cotton at less than prevailing market prices. (2) As to Merchandise and Supplies on basis of cost or market, whichever was lower.			
Investments, less Reserve, not exceeding Market Value			2,822,727.22
			$9,844,155.05
Investments and Advances:			
Investments in Subsidiary Companies		$3,639,380.62	
Due by Subsidiary Companies		191,220.93	
Other Loans, Mortgages, etc.		22,922.25	
			3,853,523.80
Fixed:			
Land, Buildings and Machinery			29,420,998.38
Valued as per appraisals of Canadian Appraisal Company, 1920, plus additions to date at cost, less amounts written off.			
Deferred Charges:			
Prepaid Insurance, Taxes, etc., applicable to future operations		$ 116,366.60	
Premium on Bonds redeemed and Discount on Bonds issued		335,000.00	
			451,366.60
			$43,570,043.83

LIABILITIES

Current:		
Cotton Acceptances		$ 931,663.15
Accounts Payable		258,492.71
Taxes Payable		248,297.94
Accrued Wages		164,500.00
Due to Subsidiary Company		9,495.35
Accrued Interest on Bonds		16,875.00
Deposit Accounts		149,609.19
Preferred Dividend payable 15th April, 1935		33,960.50
		$1,812,893.84
Reserves:		
Exchange on Cotton Purchases	$ 7,138.04	
Reserve for Depreciation	10,841,983.63	
General Reserve	266,552.43	
		11,115,674.10
Twenty Year First Mortgage Sinking Fund Bonds 4½% Series "A," due 1st March, 1955—Authorized and Issued		4,500,000.00
Capital Stock:		
Preferred 7% Cumulative—Authorized 20,000 Shares $100.00 Par Value		
Issued 19,406 Shares	$1,940,600.00	
Common—Authorized 350,000 Shares No Par Value		
Issued 270,000 Shares	18,375,000.00	
		20,315,600.00
Earned Surplus		5,825,875.89
		$43,570,043.83

Approved on behalf of the Board: C. B. GORDON, *Director.* H. S. HOLT, *Director.*

AUDITORS' CERTIFICATE

We have audited the books of account of Dominion Textile Company, Limited, for the year ended 31st March, 1935, and have obtained all the informations and explanation we have required.

In accordance with Section 114 of the Companies Act, 1934, we report that: (1) the aggregate profits, less losses of Subsidiary Companies, exceed the amount included in the Profit and Loss Account of Dominion Textile Company, Limited; (2) in respect of one Subsidiary Company, the loss has been added to its accumulated deficit, and provision therefor has been made in the accounts of Dominion Textile Company, Limited.

Subject to the foregoing, we certify that, in our opinion, the attached Balance Sheet and relative Profit and Loss and Surplus Accounts are properly drawn up so as to set forth correctly the financial position of Dominion Textile Company, Limited, as at 31st March, 1935, according to the best of our information and explanations given to us and as shown by the books.

P. S. ROSS & SONS,
Chartered Accountants.

Montreal, Que., 27th May, 1935.

DIRECTORS' REPORT

To the Shareholders:

Results of the year, which ended March 31st, 1935, are disappointing in that, through its manufacturing operations, the Company has failed to earn, by a wide margin, an adequate return on Capital invested in the business.

FINANCIAL FIGURES.—Net Manufacturing Profit, after provision for depreciation, interest on bonds, etc., but before providing for Income Tax, was $1,067,662.80. After making provision for Income Tax, amounting to $220,000.00, the net Manufacturing Profit is reduced to $847,662.80. This is $638,179.20 short of dividend requirements, and is only partially offset by income from investments amounting to $450,459.19, leaving a net deduction of $187,720.01 to be made from Surplus Account.

Various forms of taxation in addition to Income Tax, such as Excise Tax and Sales Tax on purchases, Capital Tax, Business Tax, School Taxes, and Municipal Taxes, called for the payment of a further sum of $584,353.26, equal to approximately 10% of our annual wage bill, and all of which had to be absorbed in Operations. The ever mounting burden of taxation, which must be added to legitimate operating expenses, is playing a regrettable part in raising the production cost of manufactured goods.

The policy followed over past years in building up an Investment Account is justified by the fact that, without the additional income from that account, results from manufacturing operations alone fall far short of dividend requirements, and neither regular dividend disbursements on the Common Stock nor current wage levels could have been maintained. Wage rates in the mills were actually increased by 5% on April 10th, 1934, and these higher rates have remained in effect over the past fiscal year and up to the present time.

In view of the low rates of interest in the money market, it was deemed advisable to retire, as of March 1st, 1935, the balance of the 6% bonds, due September 1st, 1949, and to replace them by a new issue of $4,500,000.00 4½% bonds, due March 1st, 1955, thereby making an appreciable saving in interest charges on borrowed funds over the next fourteen years. The new issue was offered to the public on February 5th, 1935, through underwriters, and was oversubscribed in short order.

OPERATIONS AND EMPLOYMENT.—Orders have not been obtained in sufficient volume to operate the mills within 20% of normal capacity on the average over the past twelve months, and, during the last six months of the fiscal year, short time has been the rule rather than the exception in all the plants. Over the past four years our mills, on the whole, have given steady and well paid employment, and have been a strong factor in stabilizing earning and purchasing power in their respective localities. In Magog, P.Q., for example, where we have a cotton mill and print works, employing upwards of 1,500 hands, although this plant has not operated on a full-time schedule, we have managed to distribute employment so that the municipal authorities have had no relief problem to contend with, and there has been no drain on the resources of the country from that point. It is difficult to see how we can continue to be of great assistance in relieving the unemployment situation if a large part of the cotton goods consumed in Canada are to be produced in other parts of the world.

PLANTS.—The Sherbrooke Cotton Co. Ltd., a wholly-owned subsidiary acquired in 1928, was absorbed during the year; and its assets and liabilities are now included on the balance sheet, which accounts for some of the marked changes from last year.

St. Anns Mill, one of the older plants in the Company, was finally closed down a year ago so far as manufacturing operations are concerned, and is being used as a storage warehouse for raw cotton and manufactured goods.

Verdun Mill, which for several years has lost money, is now in the process of being closed down. The greater part of its manufacturing equipment will be put into operation in certain of our other plants where it should have a better opportunity to pay its way.

The current favourable level of construction costs is being taken advantage of to make alterations and renovations in our plants where necessary, although no attempt is being made to increase total productive capacity in view of general conditions.

RAW COTTON.—The year has been an exceedingly difficult one from the standpoint of raw cotton purchasing. The agricultural policies of the U.S. Government resulted in withdrawal from the market of large quantities of cotton normally available for purchase through our Raw Cotton Buying Agencies in the Southwestern cotton belt. A fairly large carryover of cotton in our own warehouses from the previous year helped to relieve the situation.

OUTLOOK.—The year we have now entered is not without its problems and difficulties. The social and industrial legislation, which has been enacted or is in the throes of being enacted, may call for considerable readjustment to the new conditions imposed thereby, and appears bound to lead to a higher level of manufacturing cost.

TARIFF.—The Lancashire Cotton Industry has promoted Reference No. 83 to the Canadian Tariff Board, calling for a review of the current Preferential Tariff on cotton goods in the light of Article 11 of the 1932 Trade Agreement between the United Kingdom and Canada. The industry in Canada finds itself in complete accord with the idea that the situation should be examined in order to determine whether present duties are actually sufficient to give cotton manufacturers in Canada an opportunity of reasonable competition in the Canadian market on the basis of the relative costs of economical and efficient production in Lancashire and Canada.

It appears almost self-evident that when in 1934, out of a total consuming market of 300,000,000 yards, 64,000,000 yards were supplied from Lancashire, thereby forcing Canadian mills on to continual short time operation, either present duties are insufficient to equate costs of production in Lancashire and Canada, or, if sufficient, that costs in Lancashire are not the main factor in determining the prices at which Lancashire goods are being sold to this market.

It is not generally appreciated that the duties established in 1930 constituted the minimum protection which might serve to meet the situation as it then existed. Not only have new factors arisen in the meantime necessitating a higher scale of duties to afford that minimum protection, but the preferential section of the 1930 Tariff has, in effect, been thrice reduced: in 1932, when the Specific Duty was cut by one-third; in 1934, when the Excise Tax was reduced from 3% to 1½%; and in February, 1935, when the Excise Tax on cotton goods, coming under the Preferential Tariff, was abolished.

EXCISE TAX.—Despite protests which have been lodged in the proper quarters, we continue to pay a 3% Excise Tax on our raw cotton from both the United States and Egypt, which raises the price of our raw material $2.50 per bale above the world level obtaining in other countries whose manufactured cotton goods are competing with our own in this market.

ROYAL COMMISSION ON PRICE SPREADS' REPORT.—The Textile Industry was one of those which came under examination of the Royal Commission on Price Spreads. A review of the essential facts, as reported to the Commission by its auditors, has already been published in booklet form by the Cotton Institute of Canada and placed in your hands. The report of the Commission itself, which has since appeared, while not very edifying, does give the Cotton Manufacturing Section of the Textile Industry a very clean bill of health in respect to such essential features as profits, prices, and wages.

EMPLOYEES.—Our Company, like many other Canadian concerns of similar character, for many years has been taking proper steps to safeguard the position of employees and their families in sickness, death and old age. This fact has not been stressed in the past as it was hardly considered necessary to emphasize a policy which is so generally practised by reputable firms in this country.

The sum of $73,154.75 has been paid in pensions to retired employees over the past year, bringing the total amount paid out since the Pension Plan was first put on a regular basis in 1923 up to $565,997.14.

A Group Life Insurance Plan is in effect, which provides insurance, amounting to the total sum of $625,000.00 at the present time, on the lives of employees, and to which the Company contributes a share of the premium. Accident and Sickness Insurance is also in effect in certain of our plants where the workers in sufficient numbers, have signified their interest. In such cases, the Company absorbs part of the cost of protecting the employee against loss of earning power when ill, or prevented from working by an accident outside of the plant. The employee is, of course, insured against accidents occurring in the course of his work through the Workmen's Compensation Act.

The efforts of the Company's staff and the loyalty and patience of its employees under the trying conditions to which the Cotton Manufacturing Industry in Canada is being subjected, can not be too highly commended. These conditions may not improve in the near future; but it can, at least, be stated that if the manufacture of cotton goods is to be carried on in this country, your Company should prove to be one of the survivors in the Industry.

BALANCE SHEET POSITION AND DIVIDENDS.—Your Company commenced dividends on the Common Stock in 1907, and has made payments without a break for twenty-eight years. The average return to the Common Shareholders on their equity over the past thirty years has been 4.86% per annum.

Your Directors consider that the Common Shareholders are entitled to a continuance of this return so long as the cash and liquid resources of the Company safely permit it. We have had to draw on surplus at times, but the Company remains in a very strong and satisfactory position so far as working capital is concerned, and ample provision has also been made for depreciation.

You can rest assured that every possible effort is being made to protect your investment in the face of the difficulties presently impeding the progress of established and responsible Canadian enterprises.

Submitted on behalf of the Board,

C. B. GORDON, President.

PROFIT AND LOSS ACCOUNT

For Year Ended 31st March, 1935

Net Trading Profits after Depreciation of $1,259,932.05		$ 1,358,687.80
Deduct:		
Interest on Bonds	$ 276,075.00	
Premium on Bonds Redeemed	4,150.00	
Directors' Fees	10,800.00	
Provision for Income Tax	220,000.00	
		511,025.00
Net Profit from Operations		$ 847,662.80
Add:		
Revenue from Investments		450,459.19
Net Profit available for Dividends Transferred to Surplus Account		$ 1,298,121.99

SURPLUS ACCOUNT

As at 31st March, 1935

Balance at Credit 1st April, 1934		$ 6,013,595.90
Add:		
Net Profit for the year ended 31st March, 1935		1,298,121.99
		$ 7,311,717.89
Deduct:		
Dividends on Preferred Stock	$ 135,842.00	
Dividends on Common Stock	1,350,000.00	
		1,485,842.00
Balance at Credit 31st March, 1935		$ 5,825,875.89

Audited and Certified in accordance with our Certificate.

Montreal, 27th May, 1935. P. S. ROSS & SONS, Chartered Accountants

The Financial Post

Member Audit Bureau of Circulations

Editor—FLOYD S. CHALMERS

Business Manager—D. M. GOWDY

A weekly newspaper, presenting in a popular manner, reliable information respecting investments, business and national affairs in Canada.

The Financial Post Has the Largest Paid Circulation of Any Canadian Financial Paper

The detailed circulation statement we submit is the sworn statement of the Audit Bureau of Circulations, the recognized independent authority. THE FINANCIAL POST is the only Canadian financial paper submitting its circulation to the A.B.C. inspection.

ADVERTISING RATES

Single insertion—$3.64 per inch.
Debenture and Dividend Notices—26c per agate line.
Contract rates upon request.

SUBSCRIPTION PRICE

Canada, United States, Mexico, British Empire, $5 per year, all other countries, $6.

Published by
THE MACLEAN PUBLISHING CO., LIMITED
481 University Ave., Toronto 2.
Chairman of the Board—JOHN BAYNE MACLEAN
President—HORACE T. HUNTER
Vice-President and General Manager—
H. VICTOR TYRRELL

MONTREAL, Dominion Square Bldg., Murray R. Chipman, Eastern Manager; John E. Langdon, Eastern Editor
GREAT BRITAIN, London, The MacLean Co. of Great Britain, Ltd., 2, 3 and 4 Cockspur St., London, S.W.1; E. J. Dodd, Director. Telegraphic Address, Atabek, Lesquare, London.

THE FINANCIAL POST BUSINESS YEAR BOOK, YEARLY, $2.
THE FINANCIAL POST SURVEY OF CORPORATE SECURITIES, YEARLY, $2.
THE FINANCIAL POST SURVEY OF MINES, YEARLY, $2.
THE FINANCIAL POST RECORD OF PROSPECTUSES, HALF YEARLY, $7 per volume.
THE FINANCIAL POST CORPORATION SERVICE, $20 monthly. Special prices for selected part service.
DIRECTORY OF CANADIAN DIRECTORS AND OFFICIALS, YEARLY, $10.

TORONTO, JULY 20, 1935

THE LONG AND THE SHORT OF THE OUTLOOK

RECENT surveys of the business outlook in The Financial Post emphasize the view that the immediate prospects on this continent are favorable to an upturn but that the long term outlook is clouded. This is chiefly because the underlying factors which produced the world crisis are still present to a very large extent.

An English stock brokerage firm in its current review of the world's economic situation uses the analogy of the chess board where black is contrasted with white. It adds:

> "Any observer who is honest with himself must be a pessimist with strong grounds for optimism or an optimist with strong grounds for pessimism."

This house, Leopold Joseph & Sons, describes the British outlook in language very similar to that that we recently used to describe the outlook on this continent. It says:

> "Any short term estimate of events must be cheerful; any long term estimate must be fraught with uncertainty and even with apprehension."

NOT A DOLLAR OF PROFIT ON THESE INVESTMENTS

DURING the year 1929, Canadian National Railways bought out six railway companies, all of them operating in Quebec or the Maritime provinces. For these railways a total of approximately $16 millions was paid. A further $2 millions was spent on rehabilitating the lines.

In the intervening period, not one of the branch lines so acquired has made an operating surplus in any one year.

What a commentary this is on public ownership of railways in Canada! Six railways taken over and $18 millions of public money invested in them and not so much as a single dollar of operating profit earned on a single line.

The operating deficit of these railways has totalled nearly $5 millions. When interest charges have been added, the losses today amount to well over $9 millions bringing the total cost to date of this little venture into additional public ownership of railways to more than $27 millions.

One of these ventures was the Quebec Oriental Railway and the allied Atlantic, Quebec and Western Railway running from Matapedia to Gaspe. On an investment of $4.3 millions, the loss since 1929 has amounted to $3 millions.

Another was the Inverness Railway, running from Inverness Junction to Inverness. On an investment to date of $737 thousands the loss has already amounted to $644 thousands.

The Kent Northern Railway runs from Kent Junction to Richibucto. The investment is only $135 thousands but the losses to date amount to $189 thousands. The Quebec, Montreal and Southern runs from Montreal to Sorel and Fortierville with a branch to Noyan. It cost $6.7 millions and the losses to date have been $2.6 millions. The St. Johns & Quebec Railway runs from Centreville to Westfield Beach. It represents an investment of $6.1 millions and the losses to date have been $2.5 millions.

It might be useful for someone to figure out how much money the Canadian National Railways could lose at this rate if it were to buy out the C. P. R.

REPRESENTATION WITHOUT TAXATION

WE ARE rapidly heading to a condition of representation without taxation on this continent. Walter Lippmann, daily editorial commentator for New York Herald Tribune, sees the point clearly and in a recent message he presented some views similar to those that have been given in these columns on many occasions.

Mr. Lippmann points out that there is as great danger in a democracy from irresponsible mass voting as there is from concentrated wealth and power. So, tax measures which attack the great fortunes at the top ought at the same time to broaden the base of all taxes. Otherwise, we merely diminish the evils of plutocracy by encouraging the evils of demagogy.

Applying his argument to the recent Share-the-Wealth tax programme of President Roosevelt, Mr. Lippmann says:

> "The immunity of great wealth and the irresponsibility of great masses are the two fatal diseases of republics. By this test, the president's programme is inadequate and short-sighted. It has spurs but no bridle. It offers incentive to spend but lacks restraint upon spending."

What is happening, of course, is that politicians, in making their appeal to the masses, are concentrating their attention upon wealth and large incomes as the major source of revenue for governments. And to make themselves popular they are largely exempting smaller incomes from taxation. Even the sales tax is unpopular with the Roosevelt Left Wingers. The political power to tax incomes is being exercised by a great mass of voters who are immune to the taxes they impose. Their political leaders have every incentive to spend lavishly and even to waste money and there is no restraint upon them imposed by a sense of public responsibility.

President Roosevelt promises to redistribute wealth by taxation, but Mr. Lippmann urges upon him also that he recognize that those who have the power to levy taxes on others should at the same time have the obligation to tax themselves.

Of course, the answer to this problem is to lower the exemption under the income tax so that a much larger number of people are required to contribute to the cost of government through that tax. It may be that for practical purposes, and having regard for the cost of collection, it is undesirable to have the income tax levied upon everyone. The payroll tax in Manitoba is so levied and is one of the best taxes in Canada because, on every pay day, it brings home to every worker just what it costs him to have governments spending money. But there is no reason why the income tax exemptions should be any greater than $1,000 for the head of a family and $500 for an unmarried person.

Nothing would do more to restrain politicians in their extravagances than to have a great mass of voters appreciate that it is their money and their economic health that is being played with.

The present system, under which a very small percentage of the people pay almost all of the income taxes, is in effect representation without taxation, and this in a democracy is as great an evil as taxation without representation.

CANADA AND MUNITIONS IN THE NEXT WAR

DR. CHRISTOPHER ADDISON, British wartime Minister of Munitions, giving evidence before the British Royal Commission on the Private Manufacture of and Trading in Arms said that private armament firms failed disastrously at the beginning of the war; that nine months after the war had begun the only plant delivering up to its promises was the government arsenal at Woolwich.

To this he might have added that for a time the troops were so short of British munitions that Canadian-made munitions saved the situation in France. Many believe that the shortage was intentional on the part of the international munitions-makers and was designed to prolong the war.

When two representatives of Canadian manufacturers, who had turned their plants into the production of munitions, Aemilius Jarvis and W. W. Butler, went to London to offer their co-operation to the heads of the British munitions firms they were told very frankly that they were not wanted in the business; that the certain British interests would do everything possible to oppose them in their efforts to supply munitions.

Another extraordinary phase of this was that soon after Sir Joseph Flavelle began his good work as chairman of the Imperial Munitions Board in Canada an important personage came out to make some further arrangements. Many Canadian firms wishing to give service were referred, when an effort was made to see him, to a German banking firm in New York, a firm whose principals had been compelled to leave England.

In munitions making, the Canadians made the greatest relative contribution of any country in the world, considering their entire inexperience. Some of the credit for this is due to a sister publication of The Financial Post, the technical newspaper of the machinery and manufacturing field, Canadian Machinery. Its technical articles on munitions manufacture showed Canadian industry the way. Later these articles were reprinted by the Australian, Indian and Russian Governments for the guidance of firms who were prepared to adapt their plants to the production of war material of all kinds.

In concluding the evidence Dr. Addison said:

> "So meagre was the allowance of ammunition for the armies in France that it probably is no exaggeration to say that defeat was only narrowly averted by the heroism of our soldiers who were at a great disadvantage and by the success of our national arsenal. I know of no case in our history where a great industry was so disastrous a failure in time of need."

Yet Canada, with no professional munitions manufacturers, was able quickly to organize its industries to meet war needs. And after the war, our factories went back to peace-time activities and have played no part in war-making propaganda.

WHAT WILL START TRADE MOVING AGAIN?

CAN we have world prosperity without a resumption of international trade? Almost every country in the world today is basing its political policies upon the assumption that the answer is in the negative. But all economic history proves that only in the international exchange of goods can there be the highest standard of living for all.

Certainly economic nationalism has proceeded so far that we in Canada, dependent as we are to such a large extent upon our export industries, cannot maintain our accustomed standard of living without a much freer exchange of goods and services than the world has witnessed in these post-war years.

The International Chamber of Commerce, at its recent Paris congress, set down what it considered to be the essential preliminaries to revival of international commerce. Briefing the Chamber's resolutions does some violence to its careful presentation of the case, but the main theme of its argument—that a continuance of policies of national self-sufficiency invite sure disaster—is clear even in the following brief summary.

Here are the principal policies recommended to the governments of the world by the Chamber:

(1) Stabilization of exchange rates.
(2) Consolidation of debts.
(3) Balancing of budgets by economy.
(4) Acceptance by creditor nations of goods and services in payment of debts.
(5) Reduction of barriers to trade in all possible ways, whether by tariff reduction, bilateral trade agreements or otherwise.
(6) Incorporation of the most-favored-nation clause in all treaties.
(7) Recognition by the nations that trade balances cannot be settled bilaterally.
(8) Acceptance by the established industrial countries of the products of new and expanding lands.
(9) Non-interference by the State in the direction of private enterprise.
(10) Promotion of international travel.

Back of all these, of course, lies the greater need of assurance of world peace, which will create confidence.

In some of these matters Canada can take the advice to heart. We cannot honestly declare that in the creation of the factors that have reduced international trade to negligible proportions our attitude has been entirely a passive one.

MR. BALDWIN REJECTS FATUITIES OF OUR DEMAGOGUES

IT IS unlikely that in the coming election any major politician will make the mistake of promising, if he is returned to office, that he will end unemployment, although some of the more irresponsible minor demagogues may so commit themselves.

The last five years have demonstrated that unemployment is a condition which cannot quickly be ended by any government. No government in the world has yet succeeded in doing it. On the other hand, some politicians who promised that they would end unemployment have been seriously embarrassed by their inability to carry through their promise.

A wise man is Rt. Hon. Stanley Baldwin, Prime Minister of Great Britain, who said the other day:

> "I have never promised to cure unemployment and I shall never stand on a platform with anybody who does promise it."

This is a realistic view. The man who promises to end unemployment promises to produce almost overnight those long-term economic and social reforms that must be the product of generations of experiment and education.

Nor does Mr. Baldwin seek to curry the favor of the electorate by promising to spend money on large-scale public works. On this subject he recently made pointed and critical reference to the United States, and added:

> "We have always doubted whether state expenditure would, in fact, bring about a revival of industry, and we are of the opinion that if it did not, such an expenditure would be disastrous."

Frank statements like these are characteristic of the blunt and honest Stanley Baldwin, and in the coming campaign some of our own politicians might find it worth while to be similarly candid and straightforward.

A FAITHFUL SERVANT

RECENTLY when Arthur Mews, C.M.G., J.P., resigned from the post of Secretary for Home Affairs in Newfoundland he concluded more than 40 years of public service to the island colony. There is no one who has a more intimate knowledge of the inside story of Newfoundland's political life than Mr. Mews. He has acted over a long term of years as Secretary to the Executive Council and knows the inside story of the activities of every successive administration.

Although he has retired from government service Mr. Mews remains a public servant. For more than 50 years he has acted as volunteer organist of his church in St. John's. Here, as well as in Rotary, he will continue to be of service to his native city and country.

BASIC ECONOMIC ERRORS IN NEW DEAL

AN AMERICAN economist, Dr. Neil Carothers, outlines what he considers to be the four basic errors upon which the Roosevelt New Deal programme is founded. They are, in his opinion:

(1) The profound error that artificial raising of wages in depression promotes prosperity.
(2) The theory that restriction of production increases prices and promotes recovery.
(3) The belief that private enterprise can be forced to an artificial activity by the squandering of public funds in unnecessary public works.
(4) The economic error that debasement of the coinage raises prices and stimulates foreign trade.

He might have added a fifth, namely, the theory that wealth can be distributed by means of taxation without slowing up the creation of new wealth which is needed to raise the standard of living of the people.

Each of these beliefs has had some currency in Canada.

"ESSENTIAL" UNDERTAKINGS

IN THE Dominion government appropriations for 1935-1936 many millions of dollars are set aside for what are known as "essential undertakings." They include scores of items such as these:

Janvrin's Island—Wharf	$8,800
Mink Cove—Breakwater	5,800
Deschaillons—Dredging	11,200

All of these items under the heading of "essential undertakings" are charged to income. Just why they are called "essential" is not clear.

The dictionary definitions of "essential" do not help much. Are they "indispensably requisite" to our national life? If they are "pertaining to the essence of anything" what is that thing? Is it politics? If they are "indispensable elements or adjuncts" of anything the proof is not very clear.

Much larger are the items, both in individual amount and in total, that go to make up the public works programme chargeable to capital. And no one who worked on the estimates thought to speak of them as "essential undertakings."

Sayings of the Week

"An Irishman would refuse to go to Heaven if St. Peter were an Englishman."—*Dean Inge.*

* * *

"The man who gets into business on a very big scale becomes a slave."—*Walter P. Chrysler.*

* * *

"Empty pocketbooks on the farm don't turn factory wheels in the city."—*Franklin D. Roosevelt.*

* * *

"President Roosevelt never had an original thought in his life." — *Ed. Howe, American editor.*

* * *

"If there is a word that has been ridden to death today it is the word plan."—*Rt.-Hon. Stanley Baldwin.*

* * *

"England has always succeeded rather by patching up holes than by not making them."—*G. K. Chesterton.*

* * *

"If we are to rely upon a whole people to support a law, that law must please nearly all of them."—*Hugh S. Johnson.*

* * *

"The real abundant life comes from matching one's wits, one's character, and one's skill with his fellows."—*Herbert Hoover.*

* * *

"Research is industrial prospecting. We believe that there are still things left to be discovered."—*Charles F. Kettering.*

* * *

"Economy is going without something you want, in case you should some day want something which you probably won't want." — *Anthony Hope.*

* * *

"The more I see of the way science is or is not being applied to practical social needs, the clearer it becomes how much the question is mixed up with economics and politics."—*Julian Huxley.*

* * *

"Those who rise highest are necessarily few in number and, therefore, it is against these that the gibes and jeers, the sneers and contempt, of the great multitude are so constantly stirred and directed."—*Dr. Nicholas Murray Butler.*

* * *

"The escape to Socialism or communism is an escape from the frying pan to the fire, from the slow sizzling to a final combustion. The sizzling may at least end in a cooling down but the fire ends everything. Let us sizzle a little longer."—*Stephen Leacock.*

* * *

"It is all right to be marching along the road of reform, to be living up to the perhaps evanescent psychology of the day, but it is still wiser to keep looking around to see that you are basing your conduct on the immortal ground of common sense."—*Rt. Hon. Arthur Meighen.*

The American Scene

Revise Bank Act

Deposit Banks Will Continue to Underwrite Securities

By DR. GAINES T. CARTINHOUR
New York Correspondent, The Financial Post

NEW YORK.—The Banking Bill of 1935 is the most important legislation pending before the U.S. Congress. It has been radically revised by the Senate Banking and Currency Committee but continues to be the centre of controversy in financial and legislative circles. This measure is of the utmost importance to the American banking system and vitally concerns Canada because of the close monetary relations of the two countries. It is a much better bill than the original and probably will be passed, in the near future. As the original bill was covered in a previous article only the revisions are touched on here.

Cuts Away From Politics

One of the main alterations should go a long way toward freeing the banking system from political influences. As originally provided, open market operations (buying and selling government securities) were to be under the control of a committee made up of the governor of the Federal Reserve Board, two of its members, and two governors of the F. R. Banks chosen by their fellow governors. Critics pointed out that such a set-up was unwise as three members of the group would be subject to the political direction of the White House and this would facilitate any inclination to experiment with credit inflation.

The Senate Committee changed this section to provide for a committee of seven members of the F. R. Board and five representatives of the Reserve Banks, thus lessening the possibility of political domination. Under the proposed plan it would be impossible for a President to make enough changes to get a majority representation because each member of the Board is to hold office for fourteen years from the date of appointment. Furthermore, the Secretary of the Treasury and the Controller of the Currency, political appointees, are to be dropped from the Board. Responsibility for the control of the Federal Reserve System would be quite centralized and it is hoped this would facilitate a consistent credit control policy. The system of checks and balances which has been used so far has often made it impossible to secure consistency. With excess reserves of more than $2,500,000,000, stability is imperative.

Banks to Underwrite

The new provision permitting banks of deposit, under some limitations, to underwrite securities has caused much controversy. Deposit bankers and investment bankers as well as legislators are bitterly debating the merits and demerits of this section. The opinion in many disinterested circles seems to be that the market for new issues should be enlarged and that the resumption of new capital flotations would help business recovery.

Furthermore, it is contended that investment houses do not have sufficient capital to underwrite many large issues; that deposit banks would not be permitted to retail securities; that they would only be allowed to underwrite up to 20 per cent of a single issue providing this does not exceed 10 per cent of capital and surplus; and that such institutions would not be subject to the vague liabilities of the Federal Securities Act.

While it may be possible to place strict limitations on the methods by which securities are to be sold, in time there would probably be a reversion to former conditions under which a comparatively small number of large commercial banking institutions practically controlled this type of capital market. It is interesting to note that the present head of the powerful Chase National Bank has consistently favored a complete divorce of deposit banking from the securities business and been opposed to having investment bankers serve on the board of directors of commercial banks.

It will be recalled that the Banking Act of 1933, now in effect, provided for a complete divorce of the two types of business whereas the proposed law almost completely reverses it. Critics insist that the restrictions would not be effective and groups of private and commercial banks would be able to get together and handle exclusively new financing for business corporations with which they are in close contact. Then the actual selling would be handled through dealer organizations with which they are indirectly affiliated.

Stocks Not Included

This new section does nothing to restore former bank facilities for handling stock flotations. The presumption is that investment bankers will handle this type of financing when conditions are favorable. Of course, from the standpoint of the corporation, it is preferable to sell stock and thus avoid heavy fixed charges which prove so burdensome during trying times. This has been well illustrated in the utility and railroad fields during recent years. Before 1930 most of the railroad financing and a large proportion of that handled for utilities consisted of bonds on the ground that fixed costs were low and stockholders thereby received a larger proportion of the earnings.

Participation of commercial banks in the security business prior to 1930 tied up much capital. Some securities which were not easily sold were placed in trust accounts handled by the banks, and large loans had to be made to finance the security affiliates operations. The transactions of the affiliates of the largest banks in Wall Street and other financial centres in the U.S. were brought to light and impaired public confidence in many commercial banks.

It is apparent this proposal brings up again a difficult problem. While safeguards seem sufficient for the present, experience in the past makes the proposal questionable, especially since another revision permits interlocking directorates because they make possible a close alliance among a group of banks and facilitate concerted action in underwritings.

When the problem of security distribution comes up in the U.S., it is quite common to look at the British Securities Act and how it has been operating. While the law now in effect was based on this act, it is quite significant that investment bankers in Great Britain had to look outside their own field for underwriting capital. The conflict between investment and deposit bankers has been bitter but the views of both are naturally colored by self-interest. In recent months, investment houses in most cases have been making substantial profits.

The new draft provides for a set-up for the individual Federal Reserve Banks more like a private commercial bank.

Other People's Views

The Cycle of Communism

Will Durant, U.S. Philosopher

The dream of communism lurks in every modern society as a racial memory of a simpler and more equal life; and where inequality or insecurity rises beyond sufferance, men welcome a return to a condition which they idealize by recalling its inequality and forgetting its poverty. Periodically the land gets itself redistributed, legally or not, whether by the Gracchi in Rome, the Jacobins in France, or the Communists in Russia; periodically wealth is redistributed, whether by the violent confiscation of property or by confiscatory taxation of incomes and bequests. Then the race for wealth, goods and power begins again, and the pyramid of ability takes form once more; under whatever laws may be enacted, the abler man manages somehow to get the richer soil, the better place, the lion's share; soon he is strong enough to dominate the state and rewrite or interpret the laws; and in time the inequality is as great as before. In this aspect of economic history is the slow heartbeat of the social organism, a vast systole and diastole of naturally concentrating wealth and naturally explosive revolution.

Canada's Railway Problem

A Letter in the London Times

As one who owns extensive property in British Columbia and spends a considerable portion of each year there, I naturally watch with the greatest interest all the developments concerning the great Dominion of Canada.

On the one hand, we have a great country whose resources are enormous yet largely undeveloped, and, on the other hand, we have financial stringency, economic difficulty, and considerable unemployment. Surely, this is a state of affairs which none can contemplate with equanimity?

The Canadian railway problem is an enormous drain upon the resources of the population. Neither the Canadian National Railway nor the Canadian Pacific Railway is paying its way.

I suggest that the time has come for rationalization, or unification—call it what you will—a deliberate abandonment of competition and pooling of resources such as has been practised in this country with beneficial results. For myself, I do not suggest whether the ultimate control should be national or private; the question appears to be a secondary one. I am concerned to see a restoration of Canada's finances, which will lighten the burden on the taxpayer and assist in her full economic development.

Until that happy state comes about British money will be shy, and I would like to make a constructive suggestion. Let Canada float a National Development Loan, to be devoted to specific purposes of development—and there are sufficient of these in waiting. Pari passu, let the Canadian Government tackle deliberately the problem of the rationalization of her railways with a view to producing a single unified system from which needless expenses have been eliminated and which will have the object of becoming wholly self-supporting. Any such scheme of rationalization must inevitably bring about a certain amount of elimination and must result in certain hardships. Therefore, I make the further suggestion that the Canadian Government should specifically undertake that in any development works put in hand under the National Development scheme, displaced railway workers or others who might be affected by railway rationalization should receive primary consideration.

I hope I have made clear my view that British finance cannot be expected to come to the aid of the Canadian railways. They should set their own house in order.

C. SYDNEY GOLDMAN,
London, E.C.2.

Not All Fascists Have Jobs

Editor, The Financial Post:

A. O. Dawson, in your issue of June 1, says that Mussolini "has absolutely eliminated" unemployment in Italy.

The latest Italian official statistics I can find show 955,533 unemployed in February, 1935, and this figure is admitted to be "incomplete."

Perhaps Mr. Dawson will explain.

EUGENE FORSEY,
McGill University,
Montreal, P.Q.

Stop Me If You've Heard This One

Two Georgia darkies were discussing the financial condition of the country. They didn't agree.

"You's all wrong," one vociferated. "Dey ain't no money sho'tage. Ah asked mah bankuh is he out o' money and he tuk me in de vault an' showed me piles an' piles o' money. An' Ah says could he let me have jus' a little. An' he says, sho' he could. Has Ah any collat'rul! An' Ah hasn't. Now dat's whas de mattuh wid dis country. Dey's plenty o' money but we'se just running' sho't on collat'rul."

Changing Conditions

Conditions in the field of investment meet with frequent changes. The resources of our organization for securing authoritative information upon investment subjects are available to any of our clients.

Inquiries may be made to our nearest Branch

A. E. AMES & CO.
LIMITED
Business Established 1889
TORONTO
Montreal Winnipeg Vancouver Victoria New York London, Eng.

Diversification in Sound Securities . . . .

✓ Dominion of Canada
3% due June 1, 1955 at 99.75 yield 3.02%.
✓ Province of Ontario Guar. H.E.P.C.
3½-4-5% due Oct. 1, 1952 at 100.75 yield 4.30% to maturity. Callable par any interest date.
✓ City of Montreal
6% May 15, 1944 at 110.25 yield 4.60.

Prices are subject to confirmation.

McLEOD, YOUNG, WEIR & CO.
LIMITED
Metropolitan Building, Toronto
Telephone: Elgin 0161
Montreal Harbour 2276 | Ottawa Queen 878 | London Metcalf 1465 | Hamilton Regent 0010

G. S. HOLMESTED
Licensed Trustee in Bankruptcy
Liquidator, Receiver, Etc.
McKINNON BUILDING - TORONTO, ONT.

For a combination of good judgment and skill in preparing and placing advertising, consult me.

Thornton Purkis
Advertising Counsellor
330 Bay St., Toronto

What are travelers' cheques?

Bank cheques issued in denominations of $10-20-50-100 and cashable anywhere through Banks, Hotels, Railways, Steamboat Companies, bus lines—

Pay Your Way
By Travelers' Cheque

101

IMPERIAL BANK OF CANADA
HEAD OFFICE-TORONTO
BRANCHES THROUGHOUT CANADA

Under expert eyes...

FROM the moment your contract is placed with us until completion it is under the guidance of "expert eyes".

This means artists who work with infinite skill and patience in the creation of designs which defy unlawful duplication. It also means that every mechanical detail is in charge of men of long experience and surpassing skill who, with the accumulated knowledge of years, guide every step of the work to completion.

Consequently all documents made by us, Stock Certificates, Bonds, Bank Notes and all Monetary Documents, bear the unmistakable hallmark of quality. We solicit your inquiries in connection with any engraving work of this nature.

Over 100 Years of Dependable Service

CANADIAN BANK NOTE COMPANY
LIMITED
Head Office and Works—OTTAWA
—Branch Sales Offices—
TORONTO MONTREAL

23

TRUCK OPERATORS FORECAST CRISIS UNLESS AID COMES

Ontario Transport Operators Press for Code for Industry

Ontario's trucking industry faces a crisis. Increased competition from the railways, and the "chiseller" problem, are said to be the two big factors breaking the backbone of the industry.

"For ten years the railways have sat back and watched motorized transportation take 75 per cent of their L.C.L. (less car lot) business, state the directors of the Automotive Transport Association of Ontario. But lowered rates and faster service, brought in two months ago, now show that the railways are out to fight transport competition to a finish.

Want Code For Trucking

"The first step toward cleaning up this nasty situation should be a move to clean our own house," the directors of the transport association said at their annual meeting. It is now announced that negotiations have been launched to bring the automotive transport industry under the provisions of the Industrial Standards Act. Employers and workers are now trying to iron out their difficulties and to get a code under which shorter hours and higher wages will be featured.

Rather Doubtful

But informed observers say the picture is none too bright. The industry has many "chisellers" and regulation is most difficult. All attempts to date to conform to a standard rate schedule have proved fruitless.

Transport companies were supposed to have filed their rates at Queen's Park some time ago. But one large Toronto shipper states that on the next day, after the supposed standardizing of rates, he received no fewer than four printed rate sheets, and all had different rates changed in pencil.

"Truck Competition Wedge"

About two years ago the railways, with their one classification pick-up and delivery freight service in the Toronto-Windsor-North Bay area, drove in the thin edge of the "truck competition wedge." But this wedge was considerably widened on May 1, 1935, when the two railways lowered rates, speeded up service, and introduced four classification coverage.

Four Classifications

Four classifications were made, and the new system offered reductions for shipments of 1,000 pounds or over. The P. & D. system has forced transport operators down to the railway level. For example, the P. & D. rate to Windsor is 58 cents per 100 pounds, and, to the average shipper, the truck rate is the same. But it is felt in trucking circles that this rate is being undercut for large and favored shippers.

Many Different Angles

It seems to be a case of opposites. The railways cannot change their rates without the consent of the railway board. Now the trucking operators are requesting just such a body to prevent the changing of rates. Meanwhile the guerrilla trucking war continues and many problems remain to be solved before peace is made between the two transportation mediums.

Background of Business

Travellers Return

Hotels Report More Salesmen—Peas, Jam and Plumbers

The general improvement in the Canadian hotel business indicated in financial statements of hotels across Canada, is attributed to an increase in the travelling of representatives of manufacturers and wholesalers.

Hotel men report greater numbers of travelling salesmen in their hotels, and sales managers in most companies claim to have increased their travelling expenses greatly since last year.

Many firms have opened up new territories and have placed additional men on their sales staff to cover these districts. Most companies are reporting at least a ten per cent increase in travelling.

Sunday Plumbing

Plumbers in the Toronto district are reported well satisfied with the Ontario Industrial Standards Act. This wage and hour agreement, the first to be signed, has been operating for a little over a month. Many of the violations are said to be due to a misunderstanding of terms.

In one instance, a plumber was brought before the board for working on Saturdays. He could not see why any government body or trade board should tell him what hours he should work and what wages he should take. It was explained to him that the only work permitted on Saturdays at regular rates of wages was emergency calls. Several others appeared before the board for working overtime but when the act was explained to them they agreed to abide by its provisions.

Application had been received from one member of the trade asking permission to take a job at a lower rate of wages than specified, because the applicant did not have the money to pay the higher rate. This was refused on the ground that it is not permissible under the act to pay any less than the wages agreed upon.

A contractor was summoned to appear because he had been paying lower wages than the agreement called for, to men engaged in installing pipes for a sprinkler system at a golf course. It was through misunderstanding of the act that this had happened, and when the matter was made clear to the contractor, he agreed to follow the regulations in future.

Sugar Nervous

Special interest in sugar in Ontario has again been revived with the resumption of operations in the Crosse & Blackwell plant at Toronto.

The two men most interested are J. Allan Ross, former head of Crosse & Blackwell (Canada) Limited, and D. B. Beamish. The refinery is now known as the Beamish Sugar Refinery. The plant has a capacity of approximately 6,000 bags per week and sales are being made to both manufacturers and large distributors. Two grades of sugar are being turned out. Ostensibly the quality sugar is the same price as other cane refined but the company is allowing buyers 11c per empty sack which ordinarily would sell to bag purchasers at around 6c. This then makes a differential of 5c per bag in favor of buyers who can return the empties.

Just what the other sugar refineries will do under the circumstances is a question. They may not do anything at all. In view of the reduction they made more than a year ago, however, when the C. & B. refinery began operation, it would not be a surprise if some counter-move were attempted. The sugar situation in Ontario is therefore again somewhat upset.

Fair Pea Pack

Canners are now in the midst of putting up peas. Weather has been favorable to a heavy growth in both eastern and western Ontario but some insect damage is reported. Carry-over has not been great. On the whole it looks as if there will be a fairly good pack.

The market has been on the firm side ever since last fall. The only weakness that developed was a couple of months ago when some of the independents began offering peas at less than the spot market. New opening prices are under those for old pack. From now on canners will more or less feel their way along and see how the total pack develops before arriving at any definite price at which the majority of the 1935 pack will be disposed.

Jam Control

At present all jams and marmalades are being sold at fixed prices to distributors under the new Jam Marketing Board. All wholesale grocers—at least all those so recognized by the Canadian Wholesale Grocers Association—and Grade A chain stores are being allowed 8 per cent service discount for warehousing and other special expenses. Class B chain stores secure 5 per cent. Distinction between the two classes is that Class A are chains that operate in more than one centre. The Jam Board plans to stand or fall on this arrangement, which was definitely agreed upon only after a great many objections and many conferences.

Jam sales have been slow latterly and it is reported that quantity put up has not been as large as anticipated. Toward the end of the season excessive moisture in strawberries tended to curtail the pack of quality jams.

One-man Job

The plan has been placed in the hands of one man—J. T. Crowder. It is up to him to police the industry on the basis of the regulations governing the packers. These compel the sale of the products at stipulated prices, the making of affidavits that these prices are being maintained, etc.

Packers are being asked by headquarters for figures that will indicate their costs, and it may be that once these are in and gone over carefully there will be a further advance in the price. Higher prices tend to slow up consumption.

The one thing that will tend to the breaking of the control plan will be slow sales on the part of one or more firms. If, as the season advances, they find they haven't been getting rid of their products there will be a tendency to break bounds.

One thing the Board has found out already. It is not the last word in the refusal or granting of licenses. It refused a license to a new packer in Western Ontario. The latter went to Ottawa and secured it.

Canada's Silk Industry Ten-year Growth Record

Canada's silk industry has just completed a record ten years of growth. In that period the silk industry has multiplied six times and the annual payroll increased similarly.

In 1926 the imports of raw silk totalled 529,446 pounds; this year it had increased to 2.7 million pounds. Ten years ago the production of artificial silk amounted to 1.6 million pounds; last year it crossed the 10-million pound mark. While the advance in employment during the period was 125 per cent.

B.C. Lumber Record

Water-borne lumber export shipments from British Columbia in May set a new record for one month, with a total of 83 million board feet for foreign shipment and 2.5 million going domestic. The major quantities exported were shipped to the United Kingdom, Australia, Japan, China and Africa.

The Week in Business

What Big Feet You Have

WHO does not remember the day, not so long ago, when women tried to stretch a size 4½ leather casing over their naturally bigger pedal extremities. Expert shoe salesmen mumbled protests, but the style show had to go on.

But a new shoe era is upon us. Apparently the athletic world is not too complimentary to the feet. For along comes the foremost woman shoe stylist in the United States and says that sizes are getting bigger and bigger. Woman's foot up to 7 from size 5½. Men doing better with 10½ the average instead of 9½.

* * *

Drug Store Soda Jerkers

DO SODA fountains bring much business to drug stores? Yes, says L. K. Liggett, big chief Rexallite and president of the mammoth drug chain which bears his name, addressing the convention of Rexall druggists in Toronto.

In his drug chain, soda fountain business had increased to $11 millions a year in 1934 from $2.5 millions in 1918. But, on the other hand, he wasn't a bit bullish on tobacco counters. In fact, he felt that they were of practically no value from the sales promotion angle.

* * *

Normandie Notions

SEVENTY-NINE thousand, two hundred and eighty tons of French marine artistry, speed, and luxury has not been without its effect on general business. Already the sales appeal value of "Normandie" is making itself noticeable. Radio models, perfumes, and a number of notions are being sold under this name.

* * *

Men's Summer Fashion Review

WHITE mess jacket still a winner—boldly checked, raglan-sleeved topcoats with contrasting cap in solid color step out on Fifth Avenue—matched sport shirts and socks quite the thing—men continue to multiply color combinations—fancy watch chains coming back—color sport shirts liked by English hikers—British manufacturers place money on crew-neck sweater comeback to displace V-neck—London merchants stocking plenty of formal soft-fronted dress shirts.

* * *

Paying Higher Prices

THE public is buying more goods—and of better quality. A check-up of leading firms in Toronto selling men's suits and topcoats shows that volume is declining on cheaper grade and increasing on those of better quality.

Buying has not, however, swung entirely into the highest price bracket, but has generally lodged in the medium price group. Volume in top-grade goods still remains small. But here's the story by letters and figures:

	Per Cent of Total Business 1935 %	1934 %
Grade A (cheapest line)	2	30
Grade B (Med. price)	80	60
Grade C (High price)	18	10

* * *

Whaling Along

HERE'S a Canadian industry that is little known. It's whaling, and last year the industry hit a new high since 1918, with a catch of 350 of the denizens of the deep. There are two head offices, so to speak, and both located on Queen Charlotte Islands, off the British Columbia coast.

Boiling blubber oozed out 813,700 gallons of oil, which was higher by 304,000 gallons than in 1933, and one has to dig back to 1918 to find a better year. By-products included 340 tons of whale meal and 631 tons of fertilizer.

* * *

Cross-Country Ticket $7.63

NEW YORK to Los Angeles for $7.63. This is the fuel cost record made by the Cummins Diesel-powered stock Auburn model in the cross-country experimental run. Juice facts: averaged 34.6 miles per gallon of fuel oil. Speed facts: averaged 50 miles per hour for 3,774-mile run; General facts: test completes first run of a passenger-powered Diesel in American automotive history.

Commodity Prices

	Latest week	Previous week	Same week last yr.
Cattle	$7.25	$7.25	$6.25
Hogs	10.00	10.50	9.90
Copper, lb.	.08	.08	.09
Cotton, lb.	.1235	.1235	.1305
Rubber, lb.	.1216	.1218	.1464
Sugar, raw, lb.	.0329	.0329	.0315
Silk, lb.	1.45	1.42	1.22½
Wheat (Man.) bus.	.80	.80	.82
Coffee, lb.	.06¾	.06⅝	.09⅝
Weekly Indices			
N. Y. Annalist	123.4	122.9	113.6
Fishers'	81.6	81.7	77.9
N. Y. Journal of Comm.	78.7	78.1	76.2
Crumps (Brit.)	64.2	64.1	64.0
U. S. Labor	78.9	79.3	74.8
Canada (D.B.S.)	71.3	71.3	71.9

Monthly Indices Canada (D.B.S.)	Latest w'sale	Prev. month	Same month last year
Retail (June)	78.7	78.7	78.0
W'sale (June)	71.5	72.3	72.0
U. S. Labor (May)	80.2	80.1	73.7
Gt. Brit. (May)	68.6	66.7	65.4

Note: Indices on all base 1926 = 100. British index is Economist converted to 1927 base.

Base of price quotations is as follows: cattle—steers, good, over 1,050 lb., top price. Toronto: copper—electrolytic, New York: silk—Japanese, 13-15, New York: sugar — 96 degrees centrifugal c/f New York: wheat—No. 1 Man North., Ft. W. Pt. A. basis: hides—heavy native steers: select bacons, Toronto.

British Columbia Power Corporation, Limited

5½% First Ref. & Coll. Trust Bonds
Due March 1, 1960

Price: 103 and interest, to yield 5.28%

Information on request.

Royal Securities Corporation
Limited

244 St. James Street
MONTREAL

330 Bay Street
TORONTO 2

Halifax, Saint John, Quebec, Ottawa, Winnipeg, Vancouver, Charlottetown, Hamilton, Calgary, St. John's, Nfld., New York, London.

Business Indicators

▲Denotes new figures this week.

WEEKLY DATA	Latest 1935	Latest 1934	Cumulative Total Jan. 1 to date 1935	Cumulative Total Jan. 1 to date 1934
Transportation—				
Car loadings (July 6)	▲39,835	39,947	1,153,820	1,134,761
C.P.R. gross earn. (July 6)	$ ▲2,439,000	$ 2,342,000	$ 58,964,000	$ 59,552,000
C.N.R. gross earn. (July 6)	$ ▲3,071,550	$ 3,027,695	$ 83,214,863	$ 82,524,442
Business Conditions—				
Weekly index D.B.S. (July 6)	▲98.4	93.3	......	......
MONTHLY DATA	**1935**	**1934**	**1935**	**1934**
Business Conditions—				
Financial Post index (May)‡	99.6	96.7	......	.....
Transportation—				
C.P.R. net earnings (May)	$ 1,143,913	$ 1,801,927	$ 4,658,206	$ 6,298,832
C.N.R. net revenue (May)	$ 656,319	$ 1,819,036	$ 2,673,397	$ 3,390,248
Iron and Steel (May)				
Pig iron production (tons)	45,432	38,189	218,222	120,521
Steel ingots and castings prod., (tons)	72,811	71,437	314,713	333,509
Automobiles (Number)—				
Passenger Car:				
Domestic sales* (May)	13,832	11,868	47,127	35,614
Factory output (May)	17,093	18,504	78,114	56,274
Trucks and Buses:				
Domestic sales* (May)	2,694	1,899	8,973	5,120
Factory output (May)	3,672	3,657	17,470	11,905
Exports (May)	6,499	4,242	28,705	18,613
Construction—				
Building permits (May)	$ 4,799,285	$ 3,019,761	$ 19,486,105	$ 7,999,917
Contracts awarded (June)	$ 18,521,400	$ 12,206,900	$ 75,594,500	$ 60,916,700
Newsprint (tons)				
Production (June)	▲232,020	229,637	1,284,903	1,261,633
Exports (May)	239,880	207,070	936,333	923,281
Sugar (lb.)				
Melting & shipments§	93,608,459	90,494,545	291,101,960	239,210,876
Manufactured§	87,364,302	84,064,288	294,392,109	232,863,257
Flour (bbls.)				
Production (May)	1,164,322	1,175,433	5,142,549	5,472,776
Wheat flour exports (June)	▲429,561	441,064	2,242,965	2,533,611
Trade (June)—				
Imports	$ ▲46,730,870	$ 46,185,892	$ 260,379,574	$ 247,389,850
Exports	$ ▲52,787,076	$ 58,642,552	$ 301,183,086	$ 290,266,065
Wheat exports (busn.) (June)	▲6,494,622	18,425,933	45,005,521	64,721,344
Employment, D.B.S. Index—				
All industries (June 1)	95.1	96.6	......	......
Manufacturing	95.4	93.2	......	......
Electric Power Output (May)				
Total monthly (000's omitted)	1,923,071	1,830,820	9,563,841	8,665,752
Aver. daily	62,034,000	59,059,000	......	......
Other Industrial Indices—				
Lumbering:				
Plank & Board exports, mill (May)	129,517	112,777	457,365	503,929
Boot & shoe prod., pr. (May)	2,032,751	1,884,998	8,907,936	7,580,843
Crude petrol., imp. gal., (May)	113,131,917	98,879,935	310,749,567	313,274,734
Cotton imports, lb., (May)	6,316,015	15,987,306	43,654,569	59,208,757
Raw rubber imp., lb. (May)	8,800,907	4,967,810	26,724,481	26,033,374
Coal imports, tons (May)	1,485,060	1,548,268	3,639,790	3,668,548
Finance—				
Bank debits† (May)	$ 3,132,209	$ 3,128,964	$ 12,505,825	$ 12,840,587
Bond sales (May)	$ 58,977,182	$ 75,306,737	$ 218,354,656	$ 180,838,335
Life insurance sales (May)	$ 27,423,000	$ 33,184,000	$ 149,445,000	$ 155,808,000
Automobile Financing—				
Used cars (May)	$ 2,478,268	$ 1,953,204	$ 7,186,121	$ 5,213,586
New cars (May)	$ 3,668,725	$ 2,852,630	$ 10,463,413	$ 7,170,776

*D.B.S. All-Canada figure comprising over 90% of the Canadian total.
†000's omitted. §For 4 weeks to June 15. ‡Final.

Canada's Trade Has Comeback For Past Year

Canada's world trade, both import and export, staged a comeback in 1934, according to a survey made by the League of Nations. While total world trade decreased to $23.4 billions in 1934 from $24.2 billions in 1933, Canada's trade moved up to $765 millions in 1934 from $707 millions.

Canada's World Trade in Gold Dollars
(000,000's omitted)

Calendar Years	Imports	Exports	Total Trade
1929	1,299	1,225	2,524
1930	1,008	905	1,913
1931	605	623	1,228
1932	384	487	871
1933	285	422	707
1934	312	453	765

While the percentage movement of world trade showed a slight downward tendency along with the value figures, the percentage of Canadian trade actually rose to 3.27 from 2.94 in 1933. This 1934 figure is the highest record since 1930 when it stood at 3.45.

Percentage Canada's Trade to World Trade

Calendar Years	Imports	Exports	Total Trade
1929	3.65	3.71	3.68
1930	3.47	3.42	3.45
1931	2.91	3.29	3.09
1932	2.75	3.78	3.24
1933	2.28	3.59	2.94
1934	2.60	3.99	3.27

BIGWIN INN, MUSKOKA

CANADA'S FINEST SUMMER HOTEL

Rates only $5.00 per day and up, American Plan. Golf 75c per round of 18 holes, 50c for 9 holes.

Only three-and-half hours' motor ride over excellent roads, via Bracebridge, to Norway Point, with ample garage accommodation there and ferry service to Bigwin Island.

Comfortable accommodation, excellent meals, perfect service. Lawn Bowling, every sort of water craft, tennis, dancing, fishing. The very finest in concert music.

Fireproof construction. Cool and invigorating climate. Altitude 1,100 feet.

Enquire of Canadian National Ticket Agents regarding THREE DAY ALL EXPENSE TOUR for only $17.60—return rail fare Toronto to Huntsville, delightful sail through three gem-like lakes, and hotel accommodation.

Annual Bigwin Inn Golf Tournament August 6th and 7th
Write, wire or phone

The Bigwin Inn Company Limited
Bigwin Island, Lake of Bays, via Huntsville, Ontario

Correspondents

THE KENTERNE TRUST LIMITED
London, Eng.

MANNING & CO. LIMITED
Barbados, B.W.I.

AGOSTINI BROS.
Trinidad, B.W.I.

T. GEDDES GRANT LIMITED
Jamaica, B.W.I.

W. C. Pitfield & Company
Limited
INVESTMENT SECURITIES

Head Office
235 St. James Street West
MArquette 9321
MONTREAL

Private Wire—Halifax to Vancouver, with connections at Saint John, Montreal, Ottawa, Toronto, New York, Winnipeg and Calgary.

Branches

VANCOUVER
Royal Bank Bldg.

TORONTO
80 King St. West

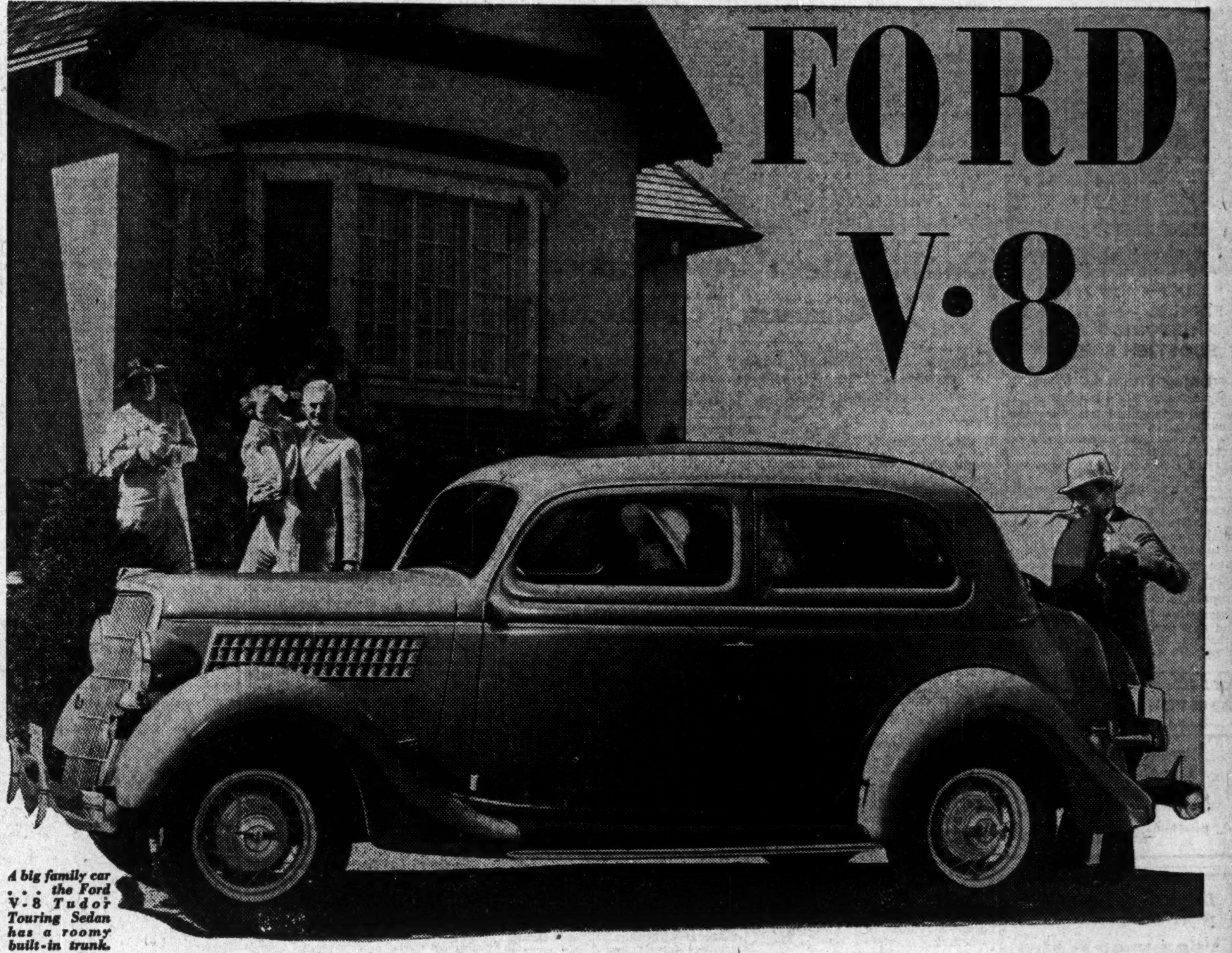
OTTAWA
140 Wellington St.

QUEBEC
65 St. Anne Street

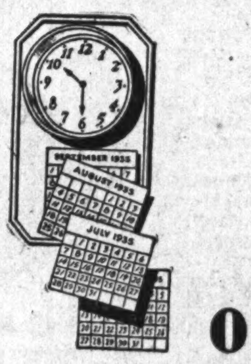
SAINT JOHN
20 King Street

MONCTON
Lounsbury Building

HALIFAX
157 Hollis Street



A big family car . . . the Ford V-8 Tudor Touring Sedan has a roomy built-in trunk.



DEPENDABLE
. . . for a half-hour spin—
or a summer vacation on the road

A WEEK-END VISIT to the country, a summer trip or errand to the corner store . . . you drive it with comfort and peace of mind in a Ford V-8. Speed, power, acceleration and proved economy are dependable qualities of the Ford V-8 engine. One-piece steel body, new quick-acting clutch and brakes, and Safety Glass★ are famous elements of Ford V-8 construction. Together they contribute that assurance and confidence which are always present when you drive this great example of Ford engineering genius.

You can depend on comfort too—an easy relaxed ride on front or back seat—mile after mile. Interiors are roomier . . . and back-seat passengers are positioned forward of the rear axle instead of over it. They are cradled between more flexible springs. They sit on deeper, yielding cushions. Front-seat passengers also share the extra leg space created by the new forward position of the V-8 engine. The "soft" front-seat ride is softer. Driver's seat adjusts for extra comfort.

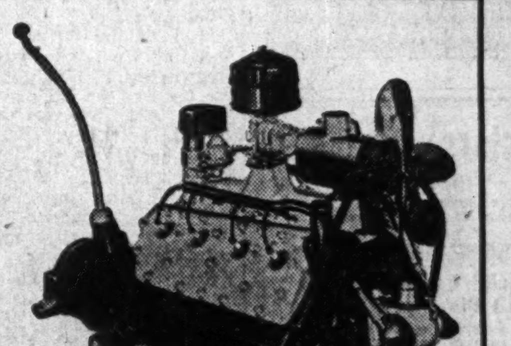
We believe you will want to make your own exacting tests of Ford V-8 dependability. Get in touch with your Ford dealer and borrow one of his cars . . . convince yourself of its power, safety and comfort.

★*Safety Glass is standard equipment all around in all closed models, at no extra cost.*

TUNE IN—FRED WARING AND HIS PENNSYLVANIANS *and* STOOPNAGLE AND BUDD. *A full hour of music and humor. Every Tuesday evening at 9:30, Eastern Daylight Saving Time. All stations of Columbia Broadcasting System.*

LOW PRICES • EASY TERMS

$32 *a month and a reasonable down payment now buys a Ford V-8. See the nearest dealer for details.*



The simple, compact Ford V-8 engine is increasingly the choice of alert motorists.

"WATCH THE FORDS GO BY"

A. J. PATTISON Jr. & CO. Ltd.
Established 1907
CORPORATION SECURITIES
Royal Bank—EL. 5101
TORONTO

HUMAN NATURE

No man can be expected to give greater attention to other people's business than to his own—the other man's business must be of secondary consideration. Through a Trust Company an Estate receives the thoughtful management which only experience and specialization can ensure.

MONTREAL TRUST COMPANY
61 Yonge St., Toronto
J. F. HOBKIRK, Manager

Hatching Eggs

Hatching eggs shipped recently from Canada to Honolulu have proved so successful that further orders have been received by B.C. dealers.

Increased Packs

Preliminary returns now show increased packs for almost all types of fruits and vegetables in 1934.

GLENEAGLES HOTEL
PERTHSHIRE, SCOTLAND

GOLF - SHOOTING
FISHING - MOTORING
HISTORIC SCENES
SCOTTISH SCENERY

Enjoy Them All Here

Take your choice of three superb courses, nine splendid tennis courts, squash courts, gymnasium and pool, the choicest slice of Scotland's unmatched scenery, with the haunting glory of Ben Lomond and the Ochil Hills in the distance, lovely lochs and streams teeming with salmon and trout—by day . . . bridge, dancing and pleasant piquancy of life—at night . . . at Gleneagles, a superior resort hotel where the art of good living is in the stratosphere of perfection.

Live in the heart of Britain's gay summer life where enjoyment and refinement are generously out of proportion to the low cost.

Descriptive literature Number 105 and full particulars from Frank S. Stocking, 1010 St. Catherine Street, West, Montreal, Canada.

GLENEAGLES
ONE OF THE WORLD'S WONDER HOTELS

Winnipeg's Newest Hotel
The Marlborough
In the Heart of the City
Fireproof Construction
European Plan
Rates in Keeping with the Times
220 Rooms

Latest development in paper manufacture
"Sampson White Envelope"
has a bond finish; is carried in two weights; is brilliant white; is opaque, and has the unusual qualification of having the strength of a rag content bond three times the price.
Toronto Envelope Co.
LIMITED
366 Adelaide St. W., Toronto

Canadian Pacific Express
Travellers Cheques
Are World Currency
Carry them on your next trip and be assured of travel comfort.
Get them from any agent of the Canadian Pacific & most Banks

Investors' Chronicle
6d Established 1860 6d
Has the Largest Net Sales of any Weekly Financial Newspaper in Great Britain
OVERSEAS FINANCE
Special Correspondents in all Financial Centres
A free specimen copy will be forwarded on post card application to:—
THE PUBLISHER,
INVESTORS' CHRONICLE,
20, BISHOPSGATE,
LONDON, E.C.2, ENG.

TOOLE, PEET & CO.
LIMITED
FINANCIAL AGENTS
Appraisers and Valuators
Estates Managed
CALGARY . . CANADA

Behind the Ottawa Trek

Concentration of Restless Young Unemployed in the Relief Camps Offered Agitators an Opportunity—Political Animosities of Provincial Governments Facilitated Eastern March

How Did it Happen?

Bloodshed at Regina brought front page advertising for the unemployed march to Ottawa. The whole world soon learned that a large group of restless workers were in motion eastward.

What the world did not know, however, was how this movement started. Why was an obviously dangerous situation allowed to develop?

The march had to halt somewhere. But for over a thousand miles everything was done to facilitate it. Trains moving in the direction of Ottawa were actually placed at its disposal.

But there was reasoning behind these baffling moves. Some of it was economic, some political, some purely natural, and some, according to reliable sources, was frankly revolutionary.

The accompanying article throws the spotlight on the sombre background of the Ottawa trek and also discloses a new policy of the federal government in dealing with Canada's unemployed.

By GRANT DEXTER

OTTAWA.—With unemployed strikers actively discontented in Quebec, Ontario and Manitoba, Ottawa regards the sudden calm which has followed the Dominion Day explosion at Regina as highly deceptive. Steps are being taken to revise the old policy and work out a permanent solution.

The Regina outbreak cost one life, destruction of considerable property, and was a drain on municipal, provincial and Dominion treasuries. It has had a most unsettling effect upon thousands of workless young men. Inasmuch as a general election affords a favorable opportunity to agitators and, equally important, as there is reliable information pointing to international communistic activities among the single unemployed—further outbreaks more or less violent in character are expected.

Camp Policy a Failure

It now seems that the policy of work camps has failed. The failure, it is claimed, is not the result of inherent weaknesses in the policy. On the contrary, these work camps have proved to be one of the least costly and most beneficial ways of coping with a baffling problem. The failure is due entirely to the fact that large aggregations of young men offer a shining target for international communistic organizations. Foreign organizations were rather slow in taking advantage of this opportunity, but their activities in the past six months indicate that they intend now to make up for lost time.

A New Policy?

Hence the belief that rather than expose young Canadians to the baleful influences of communistic propaganda the government will do its utmost to devise other means of caring for the 13,000 camp population. One alternative policy which is believed certain of adoption is to subsidize farm labor. The treasury will undertake to pay a bonus of from $5 to $10 per month per man, provided that the men hire out to farmers. Whatever they can obtain from their employers will be velvet.

Unemployed Sanctuaries

The relief camp policy dates from the fall of 1931 when the necessity of abandoning public works as a solution of the unemployed problem became evident. Public works could not be sustained because of the cost. Camps where unemployed single men could be concentrated, fed, clothed and housed and put to useful work, were first created by British Columbia. Subsequently Ottawa adopted the policy and took over the provincial camps.

The purpose was to provide places where young men could go, when out of work, and earn their keep and a small cash allowance of about $5 per month. They were not only free to leave but were encouraged to be on the alert for more remunerative work elsewhere. The camps were designed to be sanctuaries in which refuge might be taken when no other work was available.

Such they have been. The largest number of persons in these camps at any one time has been 25,500. There are now 13,000 on the rolls. But 116,480 men have passed through. Some 80,000 have left for more remunerative work and 12,601 have been ejected for disciplinary reasons. The camps, therefore, have proved themselves not to be places where young men are more or less incarcerated permanently but, rather, ports where unemployed may take shelter from the storm.

Administered by Military

It is perhaps unfortunate that the administration should have been turned over to the National Defence Department. The reason is obvious. This department is accustomed to handling large numbers of men. It has a staff which is expert in the building and equipping and operation of camps. The department is the only branch of government considered competent to handle the job.

The policy operated well until six months ago. Much useful work has been done. For one thing the Trans-Canada airways landing fields have been constructed across British Columbia and the eastern provinces.

Monotonous

But it now appears that the very temporary nature of the policy was its chief undoing. Little provision was made for education, amusement and the cultural side of life. The whole life, cut off from society, savored too much of the army without the diversion of colorful ceremony or exciting combat. It was bound to be monotonous and to impatient young men on the threshold of maturity, unnatural and rather hopeless. The men were as media in laboratories, excellent breeding grounds for disaffection and revolt. Communistic organizations became active.

Infection Spread

Infection began in the camps which are located in the more "radical" sections of British Columbia. Fed by propaganda it spread rapidly and the first serious outbreak occurred last April at the camp in the neighborhood of Vancouver City. It was here that the "on to Ottawa" movement was launched although it is a remarkable fact that it broke out in a score or more of camps located in all the other provinces within a few days. Ottawa claims there is evidence, in the record of these disturbances, of careful timing which could only have been arranged by an outside organization. To suggest that single men located in work camps separated by hundreds and thousands of miles, without intimate knowledge of each other or means of communication other than the mail, could have worked out a nation-wide campaign—to suggest this is to under-rate ordinary intelligence. At least, this is the reasoning of the federal authorities.

The efficiency of the camps except in minor particulars, is beyond question. All of them are operated by the one department of government and upon the same general standard. The British Columbia camps have been carefully investigated by a royal commission comprising Hon. W. A. Macdonald, C. T. McHattie and Rev. E. D. Braden. Their report should be scrutinized carefully by those who sympathize with the strikers.

Impossible Financial Demands

Demands of the radical leaders who fomented the march on Ottawa are listed and they disclose the political nature of the movement. The men insisted that they be given work with wages at a minimum of 50 cents per hour—a 6-hour day and a five-day week. Taking the average strength of the camps at 20,000 persons, this would have meant an additional outlay of $15 millions per year. But other unemployed, not in camps, would have demanded equality of treatment. And of these there are upward of 300,000. The cost would have exceeded $200 millions per year. Taxpayers simply could not find that sum of money. It is reasonable to assume that no government would even consider thrusting the country into bankruptcy.

Everything indicates that the minds behind the march to Ottawa thoroughly realized the impossibility of any government agreeing to proposals which, on their face, seemed natural and in no sense sinister.

Further than that, the men demanded compensation for injury, elimination of all military connection with the camps, recognition of workers' committees, unemployment insurance, repeal of section 98 of the Criminal Code and sections 41-42 of the Immigration Act. The last demands were purely political.

The drive for these "reforms" at the Vancouver camp failed, the march to Ottawa was the next move.

Royal Commission Reports

Meantime the Royal Commission had reported that apart from minor detail, provision for the men at these camps was excellent. The commission recommended educational facilities, greater stress on recreation and reading, more exacting inspection of food, more generous treatment in incidental matters such as tobacco rations. All of these recommendations are in course of implementation.

But the major difficulty at this stage lay in the obvious animosity which prevails between the provincial governments and the Dominion. The Vancouver camp was a danger point to the province and it is clear that the Pattullo government desired, above all, to get rid of the trouble makers. Thus, instead of having a single eye to law enforcement, the British Columbia government considered it good business to facilitate the first stage of the march. The men boarded freight trains and started eastward.

Progress Aided

Alberta facilitated their progress, and no doubt was very happy to see its own trouble makers join the march. The Bennett government believed itself powerless to intervene in behalf of law and order except upon the request of a provincial government. Ottawa waited eagerly, but no request came.

As the strikers, some 2,000 strong entered Saskatchewan it began to look as if the march to Ottawa would be accomplished in short order. The inside story is that the Bennett government then took the matter up with the railway companies. As a result, a request came from Montreal to have the strikers prevented from trespassing on railway property. This gave the federal government the right to intervene and the strikers were promptly detrained at Regina.

What followed will probably remain obscure until a full investigation has taken place.

"Someone Had Blundered"

The Saskatchewan government deeply resented having 2,000 incipient revolutionaries dumped in the provincial capital and did everything possible to move the men eastward into Manitoba. Its efforts were blocked by Ottawa. The Dominion Day riot, which was the climax of the affair, was the result of a panic decision at Ottawa to proceed against the strike leaders under section 98 of the Criminal Code (unlawful assembly and sedition). All evidence indicates that in going out to make arrests under this section, the police chose a most unfavorable moment. A public meeting of strikers and citizens was in progress. Riot and the killing of one Regina law officer, was the result.

Ultimately, the Saskatchewan government solved the problem—by sending the men back west in a special train.

Strike Movement Spreads

Meantime similar strikes had broken out in Manitoba, Ontario and Quebec. But the central provinces have now become aware of the danger and the tacit support which had been granted in Ontario has been withdrawn. In Quebec, severe repressive measures have been taken.

Officials at Ottawa report that a deceptive quietness has now settled down on the camps. Momentarily the communistic strategists have counselled compliance. It is highly probable that new policies will disperse the men over a wide area of the country before new plans are worked out. The dangers of concentrating workless young men in government camps has been realized.

Doubt Hides Party Chances In Coming Federal Fight

Ottawa Concedes Difficulty in Assessing Stevens Backing — Leading Business Man is Mooted to Succeed Finance Minister Rhodes

From Our Own Correspondent

OTTAWA. — Political developments in the past week make it certain that Premier R. B. Bennett will go to the country a few weeks hence at the head of a reorganized government. To all intents and purposes he will lead a new ministry.

Whereas most forecasts two weeks ago placed polling day on September 16 or 23, it is now expected that the country will go to the polls on either August 26 or Sept. 3.

National tours of the leaders are now arranged to commence the first week in August. This would indicate that this will be one of the briefest campaigns on record.

C. C. F.

Hard upon the Stevens manifesto comes the C. C. F. election platform, issued by J. S. Woodsworth. The C. C. F. leader wrote his manifesto several weeks ago and it is quite probable that had he known that the political eruptions of the past few days were going to occur, he would have issued it at the close of the session. As it is, the C. C. F. address comes as a distinct anti-climax to that of Mr. Stevens. The chief difference between the two lies in the championship of a "socialized economic order" by Mr. Woodsworth.

Stevens's Chances

Current political opinion at the capital concedes that Mr. Stevens is making a deep impression on the country. It is believed however, that he will be unable to maintain public interest and support. After the other leaders are in the field and turn their guns on him it is said he will tend to become a minor factor. Neither of the older parties appears alarmed.

U. F. O. and R. M. A.

Endorsation of the Stevens Reconstruction Party by the executive of the U. F. O. may mean a little more than the actual vote of that executive, observers predict. Once covering the whole of rural Ontario with almost 6,000 locals, the United Farmers of Ontario is now but a loosely connected shadow of its 1919 greatness.

Most of the former 30,000 rank and file after the Drury Government defeat in 1923 went back into the folds of the old parties. Of the leaders some followed Ontario Provincial Secretary, Harry Nixon, when he linked his fortunes with Mitchell Hepburn in Ontario, while the rest, the present executive, joined, then repudiated the C. C. F. and now are apparently flirting with Stevens.

Stevens support by the various retail merchants' associations is likewise hailed as largely nominal. Such organizations in Eastern Canada are generally believed to be rather hollow. Membership is only a fraction of what was once reported and this is by no means loyal in its politics. Leaders have been active, in some cases, it is claimed, mostly in a self advancement direction, while actual representation behind them is considered doubtful.

Cabinet Shuffle

The list of retirements from the present cabinet grows from week to week. It may not yet be complete, but so far six resignations are certain and a seventh practically so. The ministers who are surrendering portfolios are:

Hon. E. N. Rhodes, minister of finance; Hon. Hugh Guthrie, minister of justice; Hon. R. C. Matthews, minister of national revenue; Hon. T. G. Murphy, minister of interior; Hon. Arthur Sauve postmaster general; Hon. J. A. McDonald, minister without portfolio. Hon. Alfred Duranleau, minister of marine, is also likely to retire.

New Finance Minister

As to the successors, four names are being strongly suggested and there is much mystery surrounding a fifth. It is reported, reliably, that Mr. Bennett is preparing a surprise packet for the electorate in the form of a new minister of finance who is stated to be one of the foremost business executives of the country and a man without any definite political loyalties in the past.

Otherwise the tendency of the prime minister is to seek out and promote young men. W. G. Ernst, member for Queens Lunenburg, Nova Scotia, will be brought in as minister of fisheries. Earl Lawson—44 years of age—member for West York will become minister of National Revenue. Sam Gobeil, member for Compton, will succeed to the post office department. J. L. Bowman, member for Dauphin, will probably take over the Interior department.

Hon. C. H. Cahan may be transferred from the State department to Justice, leaving an easier vacancy to fill.

Obituary

W. W. Near, president and manager of Page-Hersey Tubes Ltd., died at Toronto on July 12 in his 70th year. Mr. Near was a widely known financier and industrialist, being a vice-president of the Dominion Bank, president of Cohoes Rolling Mills, New York, and director of Toronto General Trusts Corp.

Brigadier-General J. G. Langton, general manager and secretary of the Toronto Harbor Commission, died at Bala Park, Ontario, on July 12. With his retirement from military service after the war, he engaged in banking and financial enterprises. He was appointed to the Harbor Commission post in 1926.

DUNCANSON, WHITE & CO.
STOCK AND BOND BROKERS

Members:
Toronto Stock Exchange
Canadian Commodity Exchange, Inc.
New York Curb *(Associate)*

5th Floor, 15 King Street West Toronto

Newsprint Output to Date Barely Exceeds 1934 Level

Canadian Mills Record Slight Gain in First Half of Year — U. S. Plants Report Further Decline — Other Areas Improve

From Our Own Correspondent

MONTREAL.—Newsprint production in Canada and the United States for the first half of 1935 was on practically the same basis as a year ago, according to reports of the News Print Service Bureau. Last month, Canadian mills produced 232,020 tons and shipped 228,196 tons. This compares with a production of 229,637 tons and shipment of 225,449 tons in the same month a year ago.

For the first half of the current year, Canadian mills manufactured 1,284,894 tons of newsprint, as against 1,263,284 tons for the corresponding period of 1934. Shipments this year aggregated 1,255,569 tons, compared with 1,246,747 tons in 1934.

U. S. Position Weakens

The moderate improvement recorded by the Canadian mills was largely at the expense of the United States manufacturers. For the past month, newsprint production in the U. S. totalled 77,339 tons and shipments 76,985 tons. This compares with 83,504 tons and shipments of 79,721 tons in June last year.

Cumulative returns for the first half of this year show that United States mills produced 461,469 tons and shipped 457,955 tons, whereas for the same period a year ago, production totalled 490,785 tons and shipments 487,962 tons.

The News Print Service Bureau also reports that the Newfoundland mills turned out 27,559 tons last month, as against 28,571 tons for June a year ago. For the half year, Newfoundland increased its production by 10,191 tons, or 7 per cent more than in 1934.

The Mexican output last month was 1,683 tons, or 130 tons less than for June, 1934. For the half year, however, Mexico's production was 750 tons more than in 1934.

Approximate 1934 Level

The total North American production of newsprint in June, 1935, amounted to 338,601 tons. This was in contrast to 343,538 tons for the same month a year ago. Returns for the year to date show total continental increase of 3,260 tons, or two tenths of one per cent, compared with a year ago.

Stocks of newsprint paper at Canadian mills were reported at 57,771 tons at the end of June and of United States mills, 16,496 tons, making a combined total of 74,267 tons. This compares with 70,089 tons on May 31, 1935, and 70,862 tons at the end of June last year.

SOUND FINANCING

Sound financing has actuated the policies of this bank since the beginning. Its counsel to develop on sane but progressive lines has been of material assistance to its many customers.

If you feel these policies will be helpful in the development of your business we will be glad to discuss the matter with you.

The experience and services of our executives are available to every client.

THE BANK OF TORONTO
Established 1855

INCLUDE 2 DAYS CRUISE
on your Trans-Canada Rail Journey

No extra cost, except for meals and berth

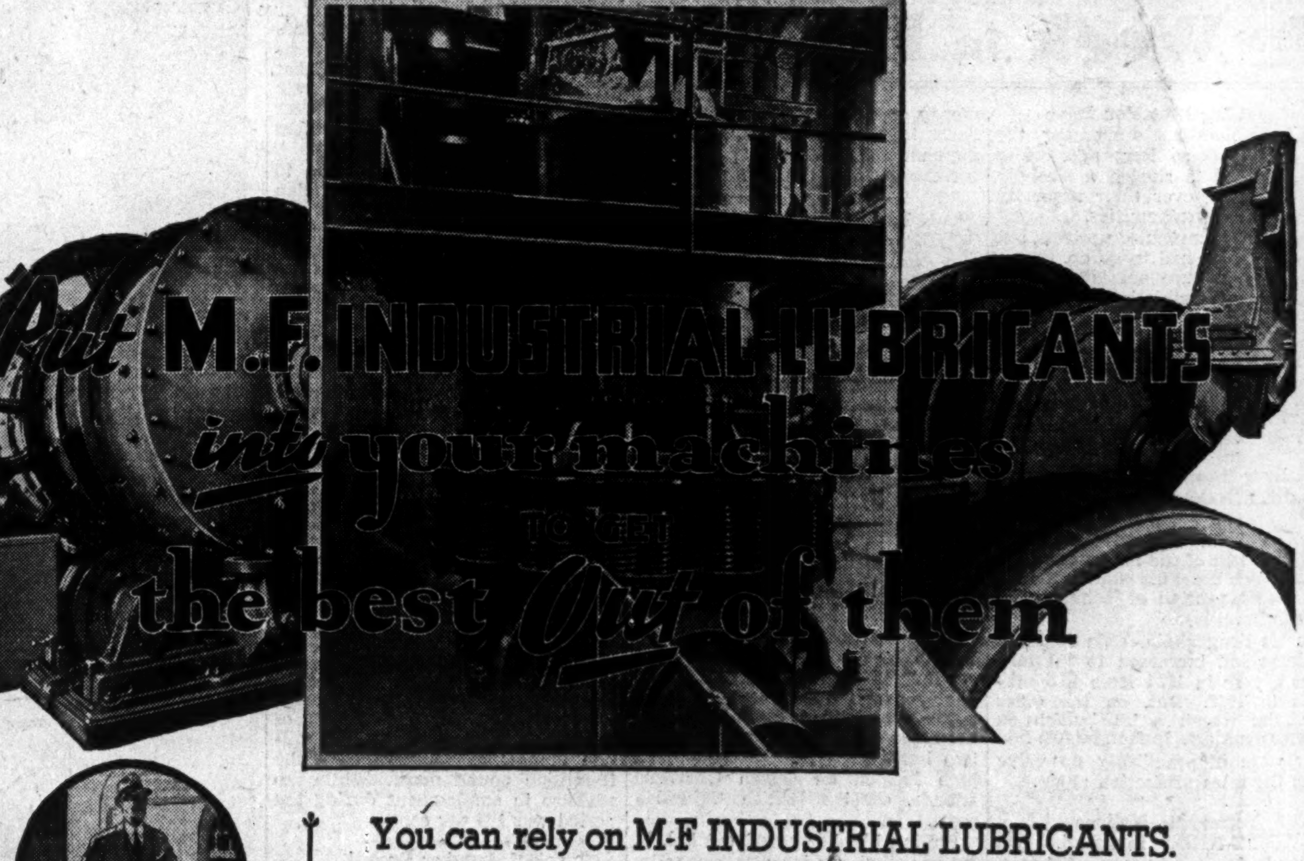
TWO glorious days of cruising through Georgian Bay and across Lakes Huron and Superior on the luxurious ships of the Canadian Pacific fleet. All the glamour and enjoyment of shipboard life : : : resting in the sun on breeze-swept decks : : : dancing to a lilting orchestra : : : playing exhilarating deck games : : : dining on excellent cuisine : : : lulled to restful sleep in cool, airy staterooms. New scenes : : : new thrills : : : delightful shipboard companions : : : a pleasant travel interlude that will linger in your memory.

Summer sailings every Wednesday and Saturday westward from Port McNicoll (Saturday sailing August 3 will leave Port McNicoll August 5), and eastward from Fort William and Port Arthur.

Ask about
CIRCLE CRUISES
All Expenses
5 days - $60.50 up

For further information apply to your nearest Canadian Pacific Agent.

CANADIAN PACIFIC



CALL IN THIS MAN

He is the McColl-Frontenac Lubrication Engineer, fully qualified to survey your plant and recommend the correct grade of lubricant at all danger points. Feel free to call on his experience at any time—his job is to serve you and save you money.

You can rely on M-F INDUSTRIAL LUBRICANTS. They are made from the world's finest crudes. They have been developed in every required weight and grade by our research staff, working closely with both manufacturers and users of all kinds of industrial equipment. And they have been thoroughly proven under widely varying conditions of actual operation. M-F INDUSTRIAL LUBRICANTS stand up to the job. Use them to keep your plant running at maximum efficiency.

Made in Canada . . . By Canadians . . . For Canadians

McCOLL FRONTENAC OIL CO. LIMITED
WRITE OR PHONE OUR NEAREST BRANCH

THE FINANCIAL POST

SECOND SECTION

Vol. XXIX | Member of Audit Bureau of Circulations | PUBLICATION OFFICE: TORONTO, JULY 20, 1935 | 10c a Copy; $5.00 a Year | No. 29

Amusements Flourish Excepting in Ontario

Higher Taxes Cut Attendance—Movies Plan Spectacular Pictures

Amusement enterprises in all parts of the Dominion are showing better business than a year ago except in Ontario. The increased scale of taxation, it is stated, has caused a decided and very alarming decrease in attendance in Ontario and no intimation has been given from government sources that there is any chance of a modification of the scale.

"My principal objection to that tax," said the executive of one large enterprise, "is that the new taxes were arbitrarily imposed without considering at all the ability of companies to pay or the effect that it will have on the business. Amusement enterprises of Ontario even more than elsewhere in Canada have been important employers and have also distributed a great deal of money in the districts where they operate. They are an important element in contributing to the pleasure and content of any community and therefore to its stability. A Government that does not understand the importance which games, sports and spectacles have on its own fortunes had better study history from the times of the Roman gladiatorial shows on."

Passing on Tax

An exhibitor of moving pictures in various parts of the province said, "Yes, attendance is down. The makers of films are giving us a better product than ever in the history of the business and exhibitors have been choosing the best available with the object of counteracting the effect of the tax. We have always found, however, in this business that there is just so much money available for the theatre and if prices go up attendance immediately goes down. We did our best to absorb taxes in previous years but in the future all we can do is to pass on the tax to the public.

Movie-Goers Alternate

"What happens is this. A man who was accustomed to take one or two children and his wife now leaves the children at home oftener or tells his wife to go alone with them and he will take his turn at another time. By this means they save more than the tax and it cuts into business materially. In so far as it cuts down business it tends to lessen employment and thus increases the burden on relief. The increased tax was supposed to give money for relief purposes. If consideration is given to these other factors it may not be really fulfilling its purpose at all. In fact, we feel that by this policy the government is killing the goose that lays the golden eggs."

Famous Players

A representative of Famous Players of Canada, leading exhibitor in the Dominion, was just as emphatic. "We employ a lot of people," he said. "We paid a lot in taxes before this increase. That was inevitable as the company has theatres located in the most expensive sections of every city and many towns in Canada. That means that the tax-rate is excessively high for us. It may not have been more per capita admission as we tried by the class of entertainment and the suitability of the sites to draw enough patronage to make the taxes as low a percentage of overhead as possible.

"We had a feeling that we were an asset to the communities in which we exhibited. Because our company is a big corporation and much in the public view we have endeavored to keep up our buildings and our plays to a high standard. Like everybody else we have had to pass the taxes on to the public. They know who is to blame for the increased admission but nevertheless it cuts down our patronage.

"Our studies in various parts of the Dominion, and this is corroborated by experience in the United States, is that the amount of business in each community is strictly limited. It grows or falls directly with the amount of money in circulation. If part of what usually comes to us is paid for taxation, even if we add it to the admission price, then we have just so much less business. In many places we are even able to assess per capita possibilities for our business based on local conditions.

"It is bad for us but I think it is even worse proportionately for the small independent theatres here and there throughout the province. I have not heard that any of them have closed as yet as a result of the new taxes but they have been hard hit."

Coming Pictures Better

In the moving picture industry preparations for the 1935-36 season are on a wider scale than ever before. Both in England and the United States releases are of a nature likely to create great public interest. N. L. Nathanson, president Famous Players Canadian Corp., and the principal distributor to other theatres as well, is now in England and writes enthusiastically of pictures now being produced there.

In the United States Hollywood reports that it will spend in the coming season 9 per cent more money on 10 per cent fewer films. Plans are for 486 feature length films and about 1,000 short subjects. Cost will exceed $120 million and it compares with 541 features and 1,000 shorts costing $110 million in 1934-35. The decided public preference shown for more mature entertainment is leading to more novels being dramatized. There will be more Dickens, Voltaire, Stevenson, Kipling, for example, and the enthusiastic acclaim given recent operatic film releases ensures that the future offerings will be of even greater magnificence and of higher musical quality and beauty.

More "Natural" Color Coming

The dramatization of William Makepeace Thackeray's "Vanity Fair" as "Becky Sharp" is drawing great crowds both because of the inherent interest of the story and the effective utilization of the new color process referred to as Technicolor. The shares of Technicolor have not maintained the old price because even the success of the picture makes it plain that the new process is very expensive and requires the development gradually at Hollywood of new technique in production.

Technicolor is said to take three times as much raw film as the ordinary type of picture. Its success is due to the fact that the cost to producers has been reduced under this process from 20 cents a foot originally to 5½ cents a foot now. A number of pictures in color will come this year but it is felt to be better business to make progress carefully, making sure of color effects and aiming at greater naturalness in colors than those causing such attention in Becky Sharp where theatrical effect was apparently aimed at and attained.

Will Produce Shakespeare

The number of Canadian shorts is increasing year by year but the greater part of Canadian entertainment must come from the United States and the United Kingdom. The reason for this is both economic and artistic. Canada has 710 motion picture theatres whereas the United States has 18,263, Europe has 23,460, Latin America 2,783 and the Far East 3,362 theatres. Pictures are made with this international market in view and one that can click in all markets naturally permits a scale of expenditure for artists and production beyond the Dominion's power. But in the type of entertainment now favored of making use of internationally known books, operas, historical characters and world events Canada gets from most of these films what it wants and so does the Chinaman, the Jap, the Englishman, the German, the Italian and the Frenchman.

Though many of the products will never come to Canada, a selected list will be of great appeal here and will include all the principal films. Cecil B. de Mille's "The Crusaders," a Paramount production, is expected to attract not only the regular theatre-goers but a large number of people who do not usually go to pictures.

Shakespeare on the screen will excite the curious. The next year will show whether the world's greatest dramatist can be given added vogue. Warner Bros. is bringing out "Mid-Summer Night's Dream." Max Reinhardt, exiled from Germany, has devoted a great part of his time to it. It will come out for a time as a road show and it will command high prices as compared with the popular prices of most theatres. It is understood that theatres playing "Mid-Summer Night's Dream" twice a day—afternoon and night—will be promised one year's protection under the road-show policy. It will appear only in key cities of the United States, England and Canada after the world premiere in New York City at the Hollywood theatre about October 15. If this is successful it is likely that "The Taming of the Shrew" and "Merry Wives of Windsor" will be prepared in 1936. Popular exhibition may occur later.

Rivalling "Bengal Lancers"

Entirely a different type of attraction is "Top Hat" being made by R. K. O. and it will feature Ginger Rogers and Fred Astaire who always seem to click with their "fans."

The success of the series of South Sea tales bearing on the Mutiny of the Bounty, the long sea trip in an open boat by Captain Bligh and those who stuck with him and the final settlement at Pitcairn Island of the mutineers, will be capitalized by Metro's "The Mutiny of the Bounty." The picture will be made at Hollywood but it is understood that real pictures of Pitcairn Island and possibly other South Sea islands will be given.

"Sanders of the River," starting about the middle of August will be a South African picture from which much is expected. It has all the fascination and thrill of "Lives of a Bengal Lancer" according to preview notices.

As for the British pictures, Gaumont-British will send to Canada Rudyard Kipling's "Soldiers Three" which will also have the same adventurous appeal as "Bengal Lancers." A strong attempt is made to reproduce the humor that has made Kipling's story a classic and if it does Kiplingites will attend in battalions. Walter Huston will be shown in "Rhodes, The Empire Builder," Conrad Veidt in that old favorite "The Passing of the Third Floor Back." Canada's next Governor-General provides "The 39 Steps" and it will be shown all over the Dominion with Robert Donat and Madeline Carroll in the title rôles. There will be pictures starring Cicely Courtneidge, Jack Hulbert, Jessie Matthews, George Arliss, Claude Rains and Fay Wray.

"The Barrier" will be especially interesting in Canada because it tells the spectacular side of the building of the Canadian Pacific Railway. "King Solomon's Mines" will give Rider Haggard's novels pictorial representation. British pictures have steadily improved in recent years, and as they have stepped up in quality Canadian showings have multiplied.

Australia Comes Through

Sister Dominion Balances Budget and Restores National Credit—Premier Lyons Tells Story of Australian Recovery—Would Plan Work in Canada?

By RIGHT HON. J. A. LYONS

Prime Minister of Australia in Address in Toronto, July 12

Whenever a big job is done, it is done by the people as a whole. What Australia has done is the result of sacrifices made by her people at the right time. They have borne it with cheerfulness and courage characteristic of the Australian people and if a greater tribute is paid to any section, it must be to the workers of that country.

We for many years were developing our country as you are in Canada. We are still building up or developing and neither you nor we have reached the highest point. Our greatness, as your greatness, lies in the future and we are building foundations which will make possible that greatness in the future.

On Borrowed Money

We were going along, developing our country, making use of borrowed money from outside of Australia, making possible the settlement in the various parts of the country. We were building up a national debt which added to our burden of interest, to our annual commitments. We didn't look quite far enough into the future. We were happy so long as we could borrow more money and spend it and continue to borrow. Our interest bill five years ago for instance got up to $325 millions a year and we are not 7 million of people out there.

RT. HON. J. A. LYONS

As a result of the things we have done, the plans we have followed in conjunction with the States, the relief we have got in interest following on the conversion of our national debt to a lower rate of interest, we haven't been piling up the national debt in recent times. Instead of the $325 millions of five years ago, the interest on our national debt today is around $250 millions.

Saving For Future

While the interest debt has been coming down we have increased our contribution to sinking fund from $30 millions to over $40 millions in the same period. So we are not only saving interest but we are making still greater provision against the future and we are ensuring to those who invest in Australian stocks real security which is worth while to them as it is worth while to us. Our interest debt today is just about what it was nine years ago. Our contributions to the sinking fund are just about double what they were nine years ago.

National Income Hit

We have done this in a difficult time. We have had to face this depression as you have. Perhaps if we had met the effects a little earlier, it would have been better. We were up against it because all the things we sold from Australia to the world were primary products and you know how primary products suffered in price. Our national income was £650 millions normally. In about two years, because of the drop in the price of commodities we produced and sold to the world, we found our national income £200 millions less.

Loans Cut Off

When you look at that you begin to realize what our difficulties were. We had been going on borrowing money year by year from London and spending it in Australia. That source of income, if you can call it income, was lost completely because we couldn't borrow any money in London and we couldn't borrow a copper in Australia either.

Through those difficult days when States and Commonwealth each had substantial deficits we had to go cap in hand to the trading banks and the Commonwealth bank asking for just enough to carry us on from year to year.

Live Within Income

With an income reduced by roughly a third, we couldn't continue on the old basis. But we didn't try any fantastic schemes to get out of our troubles. We said that a government is like an individual. If it wants to retain the respect of its neighbors it has got to live within its income and endeavor to balance its budget. It must cut its coat according to its cloth.

So we said, "We have got to ask the people of Australia as a whole to bear an extra burden. We have got to ask the public servants and the pensioners to take something less."

That wasn't pleasant for us to propose. We had to raise more revenue and therefore increased the taxation particularly on those that were able to bear a bit of extra taxation.

Taxes Up—Expenditure Down

We put our taxation up and cut our expenditures down. We went to the bond houses and proposed a conversion loan in Australia of the national debt held in Australia. We asked the bond holders to convert to a lower rate of interest by cutting the interest 22½ per cent. Over ninety per cent of the bond holders voluntarily came along and converted their holdings.

Save Interest Abroad, Too

Not only have we converted that loan in Australia on a voluntary basis but we have gone to London and converted a substantial portion of our national debts, especially those with a high rate of interest. London trusts us too. By converting this debt we save £20 millions a year for the people of the Australian Commonwealth and the States and that has gone a long way toward helping us to balance the budget.

Budget Balanced

At the time that we tackled this problem the Commonwealth of Australia was facing a deficit of $100 millions. In the year in which we did it (1932) the recovery was so great, the confidence so restored in the minds of the people that the Commonwealth of Australia balanced its budget.

We closed our accounts on the 30th of June of this year and again we have a surplus of $3,500,000 in the national balanced budget.

We haven't got out of the woods, of course. We are a long way from it. We depend on world recovery. Unless the prices of our commodities and yours recover, we can't expect complete recovery in Australia but we have made wonderful advances.

We had a huge rate of unemployment, especially in the middle of 1932. From then on, again because of confidence restored by government, employment was provided by private enterprise. Confidence restored in the minds of the controllers of our industry led to the beginning of the cutting down of unemployment in every quarter. Since the beginning of 1932 we have seen the position improving and it is improving today.

Rail Losses Cut

The railways are a mighty good indication of where we stand. Of course for very many years our railways, which are owned by the government, have provided facilities that perhaps private companies wouldn't undertake to provide, because we did it from the national standpoint to develop a district, whether the district would pay immediately or not. As a result we lost on our railways substantially. We lost money in the national interest. Last year, losses on the Australian railways were less than they have been since 1925. There was definitely a two-thirds reduction in the loss that has been shown between 1931 and 1934.

Raise Own Money

The confidence that has been restored has enabled us to stay in the Australian market to raise our money. We do that for all new works. We raise the money in Australia, no longer outside of it. At the beginning of this trouble we couldn't raise a sixpence. Since the position recovered we have gone on the market time after time and we have had our loans subscribed within two hours on some occasions, subscribed almost before they are opened and always at a lower and a lower rate of interest. We raised our second last loan at the lowest rate of interest ever experienced in the history of Australia.

Bank Free of Politics

Away back in 1910, the Commonwealth Bank was established by a Labor Government. The Commonwealth Bank through the difficult time of the war period was Australia's financial salvation operating as it did with the private trading banks. That bank has gone on developing and throughout this difficult period, if you look back on Australia, you will see practically no failure of any bank that mattered, because of the close co-operation between the Central Commonwealth Bank which is a trading bank, too, and the trading banks. They carried the government on their shoulders, those banks, during the difficult times. Their systems, their methods have been absolutely sound, based as they are upon the old Scottish and English methods of long ago.

We are very proud of the Commonwealth Bank. It is set up by the people of Australia. It has an authority which controls our activities. I have the greatest admiration for politicians but with all due respect to their ability to handle national affairs, one of the abilities of a politician is not to manage a National Commonwealth Bank. I have laid it down as far as it is possible for me to lay it down, that neither the Parliament nor the government nor any individual politician shall lay any hand upon the management of that national institution.

Subsidize Through Exchange

That Bank, in order to help our primary producers, reduced exchange 25 per cent. That acted as a subsidy to our primary producers, the farmers, and it kept them in production. It was done because the Bank considered the economic factors, not because the politicians recommended it.

States Pool Loans

In the Australian Constitution which is more like the American, of course, than like the Canadian, there was set forth a provision for grants by the Commonwealth to states in difficulties. There was no great financial cohesion between the States and the Commonwealth in the beginning. Each of us was going on, competing for whatever few shillings there happened to be in the market and offering any old price to get it. The most extravagant offered the highest price with the result that the money lender was living in a paradise. Seven governments were fighting one with another to get whatever was available. Consequently, we created between the Commonwealth and the States a financial agreement and the people of Australia put the financial agreement into the Constitution.

The chief points are that we sit around the table, state representatives and Commonwealth representatives, and we put forward our various loaning proposals. Then we consider what is available at home and what is available from London. We decide whether the market will stand the whole of it. If it does, each gets what it asks for. If the market will not provide the whole of it, we have a method of allocation between us. That has worked very satisfactorily, largely because we decide the rate of interest. We are the chief borrowers in the whole community and with the co-operation and the advice of the Commonwealth Bank Board we decide what we shall pay for the money we borrow.

Satisfactory

Is there any disadvantage to the States in this? I see none. When this was brought into existence I signed the financial agreement as the representative of a state, a state that has generally been in financial difficulties, the smallest of all the states. And I have had to operate it as the representative of the Commonwealth and whether as a State representative or as the Commonwealth representative, I find it satisfactory. It doesn't matter what the political party is. When we formed that I think there were four Labor governments that signed it. Today, we have a couple of Labor governments in Australia and the question is never raised as to what government is making the request for assistance or for its share in the loan moneys. That doesn't make any difference whatever. We meet as States and Commonwealth. When there is any difficulty about allocating the money, the Commonwealth has two votes and the State has six votes. If there is any disadvantage it is to the Commonwealth.

There is only one borrower and if a state fails in the payment of its interest, the Commonwealth government, under the Constitution, is compelled to meet that payment on behalf of the State, so you have not only the security of the backing of six states or the individual state in any particular case, but of the whole of the Commonwealth behind that undertaking, too.

One State Refuses

We have had the experience of one state, for political not economic reasons, refusing to pay. The Commonwealth made that payment for the sake of the good name of Australia and then went out and collected from the State, in turn with the backing of the people of that State.

One thing we are very proud of in Australia is that there has been no default whatever of the Commonwealth or any state or municipality. There is no default in any part of Australia.

How Far Could Canada Adopt Australian Plan?

How far can Canada go in adopting the Australian plan for recovery? There were five basic phases of the Australian recovery policy.

1. A reduction of real wages;
2. Reductions in governmental expenditures and an increase in governmental revenue;
3. Reductions in interest, both private and public;
4. Expansion of central bank credit to finance deficits and necessary loan works;
5. Depreciation of the currency to correct the balance of payments, assist export producers and sustain the internal price structure.

How It Was Done

Reduction in wages was easily brought about because Australia has already in existence the Commonwealth Arbitration Court which had been in existence a number of years.

Reduction in government expenditure and the refunding of public loans was possible, because, when the depression came, there was already in existence a Loan Council of the Commonwealth and the States.

Expansion of public credit and depreciation of the currency on a managed basis were possible because Australia already had the Commonwealth Bank, which was operating as a central bank.

Canadian Differences

When depression came in Canada, this country had none of these three instruments of state direction and state planning in full operation although we had a fairly effective substitute for a central bank. We still lack either state control of wages to industrial workers or joint control of all public finance.

These differences between the Canadian and the Australian situation were the subject of some questions that The Financial Post put to the Rt. Hon. James A. Lyons, prime minister of Australia, following his address in Toronto which is here reproduced in part.

The Financial Post asked, "Could your recovery plan have been successful without the arbitration court which controls wage levels?"

Mr. Lyons replied: "Existence of that court was undoubtedly a factor that aided us to put an effective plan into operation quickly. But in any event the states and the Commonwealth would have reduced all wages under their control and this would have given a lead to other classes of employers."

No U. S. Neighbor

Mr. Lyons was then asked, "Could you have put your plan into effect if you had been the next-door neighbor of the United States or if a large proportion of your public debt were owing in a country with a premium currency?"

He replied, "If we had been situated as Canada is, next to the United States, we would have found it exceedingly difficult to have isolated ourselves from the influences of political and financial developments in that country and we might not have been successful. As for paying our debts in a premium currency, do not forget that when we depreciated our currency, in terms of the pound, it increased our interest burden on that portion of our debt that is held outside. In that respect, we had exactly the problem that you have. But by restoring confidence in our financial solidarity, we have been able to convert a large part of our outside debt at lower rates of interest."

New Books in Financial World

THE MONEY REVOLUTION. By Sir Chas. Morgan-Webb. Published by the Economic Forum, New York, at $2.

In this volume, Sir Charles Morgan-Webb, formerly vice-chancellor of Rangoon University, hails the final collapse of the gold standard and the completion of the cycle of money revolution which has given the world the basis for a managed currency. The technique used is that of the historical chronicle. Thus the volume has an interest and value for every beginner in the study of currency whether ultimately he agrees with the conclusions that the author has drawn or not. Sir Charles Morgan-Webb goes back to the beginnings of recorded history to trace his money history. He cites Biblical authority for his statement that it was the ruthless and misdirected deflation of currency which caused commerce to dwindle in the time of King Solomon. He shows, further, that it was the Persian treasures released by Alexander that provided a currency inflation sufficient to create a remarkable expansion of commerce in his day; that the decline of Rome was due to the fact that the political expansion exceeded the volume of currency available to finance commerce.

The Last Thirteen Years

But particularly Sir Charles discusses the last 13 years, and he sets down, seriatim and not without some repetition, the events between the Genoa Conference held in 1922 by the League of Nations to the present time which have, in his opinion, effected a complete transformation of world opinion regarding money. This change of opinion is in the direction of the abandonment of the traditional gold standard, and in favor of the managed currency idea.

Sir Charles believes that the final turning point came at the Ottawa Conference in 1932, when the British nations declared their monetary policy. This he interprets as excluding the possibility of a return to the gold standard. He believes it is now merely a question of time until the gold bloc will fall into line.

Managed Money Spectacles

Sir Charles's interpretation is decidedly one-sided. He has his own pair of managed money spectacles and sees every event and reads every document through them. Even on the basis of the evidence he quotes, one feels he is much too hasty in singing the dirge of the gold standard. It would be just as fair for an advocate of the return of the international gold standard to quote the Ottawa currency declaration as a plea for the ultimate restoration of that standard, even if on a revised basis. This is particularly true as to the subsequent declaration by the British countries, issued at the time of the World Economic Conference, which inserted the word "gold" that did not appear in the Ottawa resolution. Sir Charles seems to think the word "gold" got in there by a misprint, or through someone's clerical error. In fact, practically every document that Sir Charles quotes as evidence that the gold standard has passed into the limbo of forgotten things could be quoted on the other side. He sees no opening at all for the re-establishment of a modified gold standard, to be operated so as to give the world a satisfactory international medium of exchange without providing a racket for international currency speculators.

Traces all to Money

Sir Charles is of the school that traces all of our depression troubles to money, and his argument, likewise, is built upon a complete acceptance of the quantity theory of money.

The book comes well recommended by Frank A. Vanderlip, American ex-banker and economist, who is a strong advocate of managed money. Originally published in England under the title of "Ten Years of Currency Revolution" it has now been published by the Economic Forum in the American edition which is the subject of this review.

STATISTICAL YEAR BOOK OF THE LEAGUE OF NATIONS, 1934-35. Price $2.50.

The world as seen in fact and figures. This authoritative review gives a complete synopsis of the most important economic, financial, and social phenomena in the world during the past year. Most of the statistics cover 1934 while some are for the 1935 first quarter.

The tables showing the natural movement of population disclose the fact that the birth rate continued to fall throughout the world, with few exceptions, during the past year. On the other hand, the marriage rate, which hit a depression low in 1932, has continued the upward swing commenced in 1933.

The improvement in the labor market in 1933 has, generally speaking, continued in 1934 and 1935. Conditions vary, however, in various countries and different industries.

The indices of production show the world output of industrial raw materials increased by about five per cent in 1934, while the production of metals alone rose 20 per cent.

For the first time since publication, the review carries tables showing the changes in the occupational structure of the population in various countries. The Year Book also contains tables of co-efficients of conversion for weights, measures and currencies, and an alphabetical index by subjects and countries.

"LET'S LOOK AT LONDON." By Clarence Winchester. Published by Cassell & Company, Toronto. Price $1.25, Canada or 3/6 in London.

This is a very fascinating guide book to London. It has been written by a man who knows his London well but who has lived a large part of his life outside of it. He explains that in his travels throughout the world he was also being asked by people he met about some part of the city that he was forced to confess he did not know. Finally, he decided to come home and re-discover London to get to know the city more intimately. He became for the moment a visitor and looked for the things that visitors and prospective visitors might ask about. He saw London from a stranger's viewpoint and was thus able to produce a volume which answers the questions travellers really wanted answered.

Labelled a travelogue for the short time visitor, this little volume can be earnestly recommended.

THE HISTORY OF THE CANADIAN BANK OF COMMERCE. Vol. 3. By A. St. L. Trigge. Produced by Rous and Mann, Toronto. Published by the bank.

The first 2 volumes of the history of the Canadian Bank of Commerce, written by the late Victor Ross, carried the story through the war. Mr. Trigge, who has observed the unwinding of the bank's history from the inside observation post of bank secretary, has now produced a third volume that brings the story up to 1930, or the year in which the bank completed its new head office building in Toronto. These were stirring times for the bank and embraced the change-over from the presidency of Sir Edmund Walker to that of Sir John Aird, the occupation of the general manager's office by Sydney H. Logan; the acquisition of the Bank of Hamilton and of the Standard Bank which had, in turn, previously absorbed the Sterling Bank and the Western Bank; and finally the opening of the splendid new office building in Toronto, the tallest and one of the most magnificent business structures in the British Empire.

Wealth of Incident

Mr. Trigge tells the story well. He overlooks no minor details that might have a fascination for the casual reader or an historic interest for the student. Thus, among the accounts of the post-war reconstruction era, of the New Era inflationary boom and the beginnings of the present economic collapse, are interspersed stories of the adventures of managers opening branches in the Far North; of hold-ups and robberies (not to mention many unsuccessful attempts in which great wit and courage were shown by members of the staff); of floods and fires and marriages and deaths.

Mr. Trigge's thoroughness is shown by the richness of his annotations. He is never content to let a simple statement of record speak for himself but must know all about the personalities involved and must enlighten the reader as to the background of the events. It is this characteristic of the volumes, more than any other, that makes the history of the Bank a permanent part of Canadian historical literature. The first two volumes were as much the history of the financial development of Canada as the story of a single institution and the third volume continues the tradition.

Mr. Trigge traces the history of the bank itself from 1919 to 1930. He also gives a complete story of each of the four banks which, through a series of mergers, become part of the Canadian Bank of Commerce in that period. Of particular value to students of the Canadian banking system will be the account of the attempt of citizens of Oshawa to give their community an aggressive and sound local bank. In no small measure they were successful and the Western Bank of Canada was responsible for much of the industrial development of that community. But eventually the bank had to merge with a larger institution. In addition to these individual banking histories, the third volume gives further data about military service of the members of the staff, about note issues and, of course, it continues the chronological record of staff and branch developments.

Beautifully bound, identically with the first two volumes, this book contains nearly 600 pages and is well illustrated.

Mr. Trigge has done a splendid job. It is fitting that his name should appear on this volume for he did a great deal of the original research work for the first two volumes that appeared under the name of the late Victor Ross. Everyone who has learned to treasure this record as an important contribution to Canadian literature and history will hope that Mr. Trigge will be long spared to carry on the work of adding subsequent volumes.

THE WARREN-PEARSON THEORY—By Charles O. Hardy. Published by the Brookings Institution, Washington, Price 50c.

A pre-print of a volume shortly to be published concerning manipulation of foreign exchange as a form of currency management, this booklet is an iconoclastic commentary on the gold-price theory of Professors George F. Warren and Frank A. Pearson of Cornell University. The pamphlet shows that the Warren-Pearson theory—to the effect that the price of gold and volume of monetary gold directly determine price levels—will not bear intensive examination.

Two general criticisms of the Warren-Pearson theories are made. The first is the authors' habit of stressing evidence which supports their conclusions and slurring over evidence which seems to contradict it. The second is a statistical criticism: that there is a multiplicity of inconsistent findings in the Warren-Pearson studies.

The purpose of pre-print of the pamphlet from the forthcoming more extensive work of the institution is to analyze the new Warren-Pearson work "Gold and Prices." The Warren-Pearson studies are of importance since the two Cornell professors directly influenced the U. S. gold policies which led to devaluation of the dollar.

Readers of the pamphlet can hardly fail to be impressed that the theory of influence of gold on price levels requires generous qualification. Due to the importance of exchange depreciation in present-day finance and commerce, readers of this pre-print will have sharp appetites for the forthcoming book from which the pamphlet was compiled.

PACIFIC COAST LUMBER TRADE HIT BY SURTAX

Japan's 50% Surtax Means Big Loss to B. C. Forest Industries

From Our Own Correspondent

VANCOUVER.—British Columbia's forest industries, lumber and pulp, will be the chief victims of Japan's arbitrary action in imposing a surtax of 50 per cent on certain imports from Canada. The new levy is in retaliation for Canada's refusal to treat the yen in accordance with the devaluation placed on it by Japan for exchange purposes.

Japan Big Market

More than one-seventh of British Columbia's lumber exports have been finding their way to Japan, and in several seasons Japan's share has been considerably greater. When high tariffs reduced the United States market for B. C. lumber, sawmill operators here soon came to place most of their reliance on Empire countries—and Japan. With B. C. lumber practically debarred from Japan by the tariff, B. C.'s market range will be further restricted.

Pulp Industry Reaction

The news was an unexpected jolt to the pulp industry which has enjoyed friendly relations with Japan and has steadily increased its sales there. One effect of the Japanese embargo is that the B. C. mills will have to turn more attention to the United States market. This may result in a programme of new construction and equipment to prepare the product for a more discriminating field.

Metals and Fish Escape

Japan did not apply the surtax to lead and zinc and fish. Orders for these products could evidently not be diverted elsewhere, but Japan can obtain lumber and pulp from the United States and Scandinavia and wheat, another surtaxed product, from Australia.

B. C. shipped lead and zinc valued at $2.8 millions to Japan last year, while wood products and paper shipments last year were valued at $5.5 millions.

Loss of the Japanese pulp and paper market is equivalent to a decline of 10 per cent in the province's foreign trade, government officials contend.

Life Insurance News

Cut Rate Annuities

Federal Government Piling Up Big Unknown Deficit by Present Policy, Says Leading Actuary

That the Canadian government offers "one of the most wonderful schemes ever devised for the sale of annuities by the State" and that at the present time was offering annuities at 25 per cent less than the standard Canadian rate, were some of the striking statements made recently by V. R. Smith, general manager of the Confederation Life Association before the American Institute of Actuaries at a Chicago meeting of that body.

He pointed out that Canadian taxpayers were paying a very considerable sum for the favorable terms on which annuities are sold to the Canadian people; that not only was the government using a very obsolete mortality table greatly loaded in favor of the government and against the taxpayer, but also that the government was setting up no proper reserves against its liabilities so the very large deficit that would otherwise be shown is not disclosed.

Obsolete Tables

"Canada has been issuing annuities since 1908 on extremely favorable rates, based upon the old British Annuitants' Experience from 1863 to 1893," said Mr. Smith. "This experience dates back a long time. It is nearly 50 years since the close of the investigation. The rate of interest is 4 per cent and no loading has been provided for expenses. The government pays a commission on each sale and pays all expenses of administration out of ordinary revenues of the country. The ordinary taxpayer is paying a very considerable sum for the favorable terms on which annuities are sold to the Canadian people.

"Thus, the purchase price of an annuity to a woman aged 40, is about 25 per cent less than the ordinary standard Canadian rate. At age 70, which gives the complete spread of ages at which annuities are usually sold, the difference is somewhat more than 25 per cent. The spread for annuities on the lives of men is approximately the same.

Bought by Wealthy

"In the beginning, the sale of annuities by the Government was to provide what might be called 'Old Age Pensions.' It was thought advantage would be taken of the security and the special privileges given in the contract, by people of the laboring class, or, perhaps, those of moderate means, to buy an annuity as a protection against their old age. As a matter of fact, it is believed the large sale of annuities has been made not to people of moderate means, but to those of the wealthier class. At one time, the Government sold an annuity amounting to $5,000 a year, but realizing this was contrary to the basic principle under which the plan was originally adopted, the amount was reduced to $100 per month. The limit set applies to individuals and, therefore, each member of the family can buy an annuity for the maximum.

"Canadian actuaries have protested against the use of an obsolete table of mortality and, also, against the use of a rate of interest of 4 per cent, but we have not been successful, because suspicion is always cast on our motives.

Hidden Deficit

"There is another thing open to severe criticism. It is that no reserves are set up; the income is credited to the Consolidated Revenue Account of the country and the disbursements are debited. If reserves were set up on a proper basis that was satisfactory, say, to the actuaries of the insurance department at Ottawa, then there would be no doubt a very large deficit disclosed. It would be quite obvious, also, that the Government in this way is borrowing at a very much higher rate than 4 per cent and that a deficit continues to pile up, not at 4 per cent, but rather at a higher rate on which the business is actually sold.

"Such a deficit is hidden, because there is no separate account and no calculation of reserves. The deficit is buried by the Consolidated Revenue Account and one day the government will learn to its sorrow, just as the British Government did a century or more ago, that a substantial loss has been incurred, not for the benefit of the people for whom it was originally intended to provide, but rather on account of the more wealthy citizens in the community.

"Premium rates calculated on a British Forecast Select Table require a rate of interest from 4½ per cent to 6¾ per cent to produce the premium rates used by the Government, without any allowance for commission and expenses. Also, the Forecast Annuity Table itself is none too good a table on which to calculate the premium rates for the sale of annuities, since the mortality now being experienced by the British and Canadian companies on their Annuity Branch is beginning to run even at a lower rate than that expected by the Forecast Select Table."

Life Insurance Cos. Pay $53.6 Millions in Claims

Approximately 80,500 life insurance policyowners died in the United States and Canada last year before their policies had been in force for one year. Claims totalled $53.6 millions which, when worked out to daily averages, made about $147,000 paid every day of the year.

More than 22,000 of the policies were matured by death within three months of the time they were purchased; one company alone had 7,500 such cases. As in previous years, accidents were first among causes of first-year deaths, with automobile fatalities predominating.

Insurance Inklings

G. F. FRENCH, C.L.U., has been appointed manager of the centre agency of the Montreal Life in Montreal.

H. F. BENNYHOFF has been appointed manager of the office of the Great-West Life at Vandalia, Illinois.

W. R. COOPER has been appointed manager of a new northern Ontario branch of the Great-West Life to be opened Aug. 1 at North Bay.

H. O. LEACH, general manager of the Sun Life for the British Isles, is at present in Montreal.

LLOYD JONES will have charge of the new Haymarket branch of the Imperial Life Assurance Co. in London, England.

Dr. CHARLES L. CHRISTIERNIN, medical director of the Metropolitan Life, New York, was a recent visitor at the company's Canadian head office in Ottawa.

C. A. FULLERTON has been appointed assistant manager of the Moncton branch of the Metropolitan Life.

H. C. SMITH, formerly of the Metropolitan Life staff at Windsor, Ont. has been appointed assistant manager of the Westdale district.

New Licenses

A certificate of registry has been issued by the department of insurance at Ottawa to the following company, authorizing it to transact in Canada the business as noted in addition to the classes for which it is now registered:

Ministers Life and Casualty Union: Life, sickness and accident, to the extent authorized by its articles of incorporation. A. T. Whitehead, Toronto, has been appointed chief agent in Canada.

Management Association Will Meet in Cincinnati

The 1935 annual conference of the Life Office Management Association will be held in Cincinnati, Ohio, from September 30 to October 3. The conference will be devoted to consideration of a group of subjects of interest in the field of life office management.

Ordway Tead, of the faculty of Columbia University and author of the recent best seller, "The Art of Leadership," will introduce the office personnel subject. It is expected that the agency branch auditing programme will be of interest to field branch auditors as well as home office men.

Occidental Life Reports Major Monthly Gain

The Occidental Life Insurance Co. of Canada, which recently opened its head office for the Dominion in London, Ont., announces that during each month of the year to date the company has exceeded the production of the corresponding month of last year.

May was the largest month in the history of the company with almost $7 millions new issued and written ordinary life insurance, a gain of 40.5 per cent over May, 1934. Business in June totalled $6.8 millions, an increase of 68 per cent over the same month last year.

Northern Life Business Shows Big Monthly Gain

New paid business of the Northern Life Assurance Co. of Canada for June was double the same month last year, and exceeded the amount of business written in any month since December, 1930.

The monthly gain in business in force was also substantial. Not since October, 1929, has the company shown a greater monthly increase for insurance in force than in June.

Progress is Reported On Minimum Wage Plan

A joint arrangement for operation of minimum wage laws for men in Ontario and Quebec may soon be a reality. In any case, Hon. David A. Croll, labor-welfare minister in the Ontario government has been discussing the matter with Hon. C. J. Arcand, labor minister in Quebec.

No official details have yet been made public, but it is understood that definite progress is being made. "We are going to get somewhere on this important problem," states the Ontario minister.

How Many Years Will Quints Live?

How long will the famous Dionne quintuplets live?

The answer, computed from a life table by Metropolitan Life actuaries, is 39 years as a group. Any one of the quints taken separately now has an expectation of life of 65 years. And in the first year of their life they have withstood the degree of life risk ordinarily met with by one female in the first 51 years of her life.

On the other hand, the longest lived of the five, whoever she may be, has a greater expectation of life than any random one of them. Her expectation is 83 years. All these figures are based on averages, and actually the children may do better than stated above.

Deaths by Drowning Double Car Accidents

Which brings the most deaths—drowning or motor accidents? Most readers will likely say the latter immediately. But the Canadian Amateur Swimming Association (Ontario) says that drowning wins by a wide margin. In fact, during the short 1934 swimming season, there were more drowning deaths than there were from car accidents.

With this in mind, the association announces that a swimming and life saving campaign will be conducted in August and September. This movement "To Save Life" has the backing of the Ontario government, leading athletic bodies, schools, churches, police, and many other agencies.

53 Per Cent of Fire Claims for Losses Less Than $25

Of some 18,000 fires in Quebec last year about 12,000 involved claims for losses of only $25, according to a review of fire claims in Canada during 1934. Thousands of these small claims represented losses due to cigarettes setting fire to chesterfields, clothes, or beds.

At the same time of 43,622 fires reported by all provinces in 1934, a total of 23,432 represented claims for losses of less than $25, or 53 per cent of the total.

15-Year Fire Record

In the last 15 years, the Dominion fire commissioner has reported 598,215 fires. This number entailed a property loss of $610 millions and a loss of 6,318 lives.

Fire Equipment in Quebec

Since 1912, the Quebec government has made grants totalling nearly $1.5 millions to 250 municipalities for fire fighting equipment.

Insurance Problems

Insurance questions of general interest submitted by subscribers of The Financial Post will be answered in this column. Other enquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

British Oak

Would you please advise me if British Oak Insurance Co. is a safe concern with which to insure?

British Oak Insurance Co. was organized in 1908 and commenced business in Canada in 1921. The company is licensed by the Dominion Department of Insurance and maintains the required deposit and reserve. As at March 31 last, the deposit with the Department of Insurance amounted to $265,892.

The company is a non-tariff company and a member of what is known as the Willis, Faber Group. In 1934 the company reported satisfactory results. In fire insurance business the ratio of losses incurred to premiums earned was considerably lower than in previous years and better than the average for non-tariff companies.

Mill Owners Mutual

How long has the Mill Owners Mutual Fire Insurance Co. been writing business in Canada? Is it safe to insure with it? Does it maintain a deposit in Canada?

Mill Owners Mutual Fire Insurance Co. is an old established organization which has been writing business in Canada since 1923.

In 1934 the organization reported a ratio of losses to premiums earned in Canada of 26.5 per cent, the lowest recorded in a six year period. In 1933 the ratio was 41.4 per cent.

Premiums written in Canada in 1934 were 10 per cent above the 1933 figures, which totalled $246,000. Losses were approximately $71,000 as compared with $102,000 in 1933. Combined total assets covering Canadian and American operations amounted to $2,430,000 in 1934 with a surplus of $1,287,000.

It complied with the Federal requirements in respect of a deposit, the amount of this deposit being normally sufficient to cover the liabilities in respect of unearned payments. The total on deposit is $184,000.

Progress!

Not once in the past 45 years, covering good times and bad, has the London Life failed to make a gain each year in the amount of Life Insurance in force.

More and more, Canadians are buying their life insurance from this Company.

London Life
Insurance Company
HEAD OFFICE · LONDON, CANADA

Fire and Casualty News

CANADA LEADS UNITED STATES IN AUTO INSUR.

Dominion Outstrips U. S. on Uniform Auto Liability Security Laws

Canada has outstripped the United States in the development of uniform liability security laws for automobile insurance, said R. Leighton Foster, superintendent of insurance for Ontario, addressing the National Convention of Insurance Commissioners at Seattle, Wash.

The so-called Uniform Automobile Insurance Policy Act of the Canadian provinces was drawn up in December, 1931, and was adopted and came into force in all provinces except Quebec on Sept. 1, 1932.

Purpose of New Bill

The new bill undertook to revise the then existing codified statutory provisions by incorporating therein the features of the safety-responsibility legislation. This was calculated to protect the innocent victim of the car accident and to require the insurer to pay under virtually all circumstances notwithstanding any breach of conditions of other default by the policyowner. For almost three years these have been the only types of policies issued in all Canadian provinces except Quebec.

United States Experience

Turning to the United States field, "so far as state insurance laws are concerned, they seem to stand exactly where they stood five years ago," he said, "and not one solitary state has advanced as far as the Canadian provinces."

The new Canadian Uniform Act was stated to prescribe a statutory form of comprehensive automobile insurance policy, and was considered a great advance in the field of insurance legislation in Canada. Superintendent Foster felt that comparable legislation in the United States would be in the interests of the public and the automobile insurance business.

Big Job Ahead

Today eight Canadian provinces, representing more than 85 per cent of all motor vehicles registrations in the Dominion, have in force legislation embodying practically all of the principles of safety-responsibility legislation.

But the surface, it was felt, has only been scratched. For the slogan "every insured motorist must be financially responsible, absolutely and unconditionally, to the innocent victims of his negligence, is one calculated to challenge every government insurance supervisory official in both Canada and the United States," he added.

Life Insurance Estates

Seventy per cent of all estates left by Canadians is represented by life insurance.

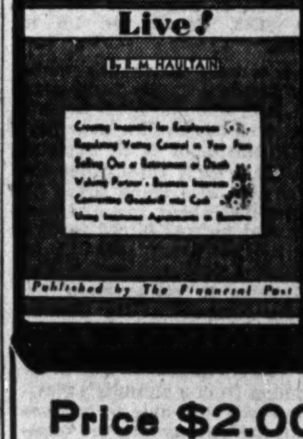
Is Your Business Vulnerable?

*You can now read how to

1. Strengthen banking position.
2. Retire bank loans.
3. Strengthen trade credit.
4. Buy out partner.
5. Sell your interest.
6. Prevent outside interference.
7. Create standby markets.
8. Compensate management loss.
9. Compensate technical loss.
10. Stabilize employees' jobs.
11. Retire older partners.
12. Retire mortgage loans.
13. Retire bond issues.
14. Stimulate assistants.
15. Create employee incentive.
16. Convert goodwill to cash.
17. Regulate company control.
18. Protect dividends.
19. Protect paper endorsers.
20. Build cash reserves.

Through BUSINESS Life Insurance

Case examples fully described in the first Canadian book of its kind.


How to Make Your Business Live!
By E. M. HAULTAIN
Published by The Financial Post

Price $2.00
(Second printing now available)

See on page 46.
"What actually happens in credit circles when the managing head of a business dies."

THE FINANCIAL POST,
481 University Avenue,
Toronto 2, Canada.

Please send me postpaid ...... copies of the book, HOW TO MAKE YOUR BUSINESS LIVE.

Enclosed is $ ....in payment.

Name ....

Address 584

ONTARIO FIRE LOSS DOWN BY 32 PER CENT

Decrease of $214,426 in May Five-month Record Shows Like Trend

The May fire loss in Ontario totalled $676,653, a 32 per cent decline from the same month a year ago. While the loss not covered by insurance declined to 16.8 from 23.3 per cent.

May Fire Figures

	Loss $	Insur. Loss $	Not Cover. by Insur. %
May, 1935 ..	676,653	581,084	16.4
May, 1934 ..	891,079	722,430	23.3
Decrease .	214,426	141,346	51.7

Ontario shows a similar trend for the first five months of this year compared with a year ago. The loss not covered by insurance in this period was 16.8 compared with 18.6 in 1933. There were 506 less fires in this period with a decrease in losses of $1.7 millions.

Comparative Loss For Five Months

	Loss $	Loss Insur. $	by Insur. Not Cover. %
Jan.—May, '35	3,214,039	2,752,360	16.8
Jan.—May, '34	4,944,855	4,168,720	18.6
Decrease ..	1,730,816	1,416,360	22.2

Insurance Inklings

F. T. GUNNING has been announced as manager of the fire and inland marine departments of Richards, Melling & Co., Montreal.

A. SAMOISETTE, general manager for Canada of the General Fire Insurance Co. of Paris, has returned to Montreal from a visit to the Paris head office.

E. S. CRAIG has been appointed general manager of the Grain Insurance and Guarantee Co. of Winnipeg.

T. E. CLINDINNEN, president of the Ontario Fire & Casualty Agents' Association, recently addressed agents at Kingston.

HOWARD ROSE has been appointed president of the Niagara District Fire and Casualty Insurance Agents' Association.

Century Indemnity

The Century Indemnity Co., of Hartford, Conn., ceased writing business in Canada August 31, 1934. It is, therefore, the intention of this company to ask for the release of securities on deposit with the Receiver-general of Canada, on or after August 1, 1935. Any Canadian policyholder opposing such release is requested to file his oppostion with the Minister of Finance, at Ottawa, on or before August 1.

Life Underwriters' Convention

The 46th annual convention of the National Association of Life Underwriters will be held at Des Moines, Iowa, September 16-20.

New Industries and Plant Extensions

Compiled Weekly
By The Financial Post

Royalite absorption plant, Turner Valley, Alberta, is nearing completion and will be in operation at full capacity soon. The plant has a capacity of 60,000,000 cubic feet of gas daily and its operation is expected to increase considerably the naphtha output from south valley wells.

Burns & Co., Ltd., Calgary, plans to erect a new abattoir costing about $100,000 near the site of the present building.

Small Brothers, Dunham, Que., manufacturers of evaporators and maple sugar supplies, may erect a factory at Smiths Falls, Ontario.—(Smiths Falls Record-News).

Burns & Co. Ltd., Edmonton, will build a $30,000 extension to the packing plant immediately, according to John Burns, of Calgary, president.

Supreme Products, Ltd., will establish the first unit in a proposed Canadian chain of plants at Oshawa. This company holds the exclusive manufacturing rights for a complete line of patented four point interlocking and triple air vent building blocks, interlocking cement and asbestos shingles and tiles and other materials used in building construction. Arrangements are now under way for the opening of two plants in Toronto. (Oshawa Times).

The Toronto Industrial Commission announces that:

United Steel Corp., Ltd., Pelham Ave., Toronto, will manufacture the complete line of products of the Barber-Greene Co., Aurora, Ill.

Ditto of Canada, Ltd., newly incorporated Canadian subsidiary of Ditto, Inc., Chicago, Ill., manufacturers of duplicating and billing equipment, has leased space at 137 Wellington St., as headquarters for sales and distribution of its products in Canada and the British Empire.

Standard Cycle Products Co., Ltd., 9 Davies Ave., Toronto, is moving to larger quarters in the Canadian Chewing Gum Bldg., on Logan Ave., which will provide the concern with 50 per cent more floor space. The company assembles and finishes bicycles of British manufacture for the Canadian market.

Smith-Cameron Shoes, Ltd., is moving from 47 Bathurst St., Toronto, to larger quarters at 237 Front St. E.

Gardner-Denver Co., (Canada) Ltd., Canadian subsidiary of the Gardner-Denver Co. of Quincy, Ill., manufacturers of mining equipment and machinery, has leased an entire floor of the Aladdin Bldg., King and Simcoe Sts., Toronto, affording double the space at present occupied at 1256 Bay St.

Pease Foundry Co., Ltd., Toronto, has moved to 235 Victoria St. to larger quarters.

Litho-Print, Ltd., announces that the foundations are already in and other work progressing rapidly in construction of its new plant at 120 Duke St., Toronto, to be taken over by the company about Oct. 1.

Gurnham Joins Executive Montreal Cottons Ltd.

From Our Own Correspondent

MONTREAL.—Directors of Montreal Cottons Ltd. have appointed C. W. Gurnham as secretary-treasurer of the company, in succession to the late H. A. Wilson. Mr. Gurnham has been connected with the company for a long period and over the past six years has been assistant secretary treasurer.

National Products Hold Wide Leadership Margin

Private Brands Many Laps Behind Nationally Advertised Products, But Gap Being Narrowed—Ontario Shoppers State Preferences

What do you buy most of when you go shopping—private brands or nationally advertised products?

If you are a hard and fast price shopper the chances are that private brands may get a little better than an even break. But if you are one of the millions of average shoppers—the backbone of the retail trade—it is likely that national products will make up most of your purchases.

Here's The Record

On the word of no less an authority than John Hartford, president of the A. & P., world's greatest chain store organization, nationally advertised trademarked brands have held their sales position during the last few years much better than the general run of merchandise. This comment comes from a retail trade executive who has been one of the foremost "pushers" of private brand goods in his own organization.

Last year the A. & P. sold over $1 billion worth of branded goods, but their own exclusive private label products accounted for only 17 per cent of the total.

Look at Canada

Despite the inroads of private brands, the majority of shoppers still buy the products they read about. For instance, in the five leading Canadian magazines, national advertising expenditures since 1929 have increased substantially more than the general run of advertisers.

In 1934 the manufacturers of nationally advertised food products spent $750,972 to tell their story in these Canadian magazines. In 1929 the outlay was $435,228. The same holds true for drugs where the advertising expenditure moved up to $591,074 from $377,405. And advertisers do not usually increase their appropriation, especially in lean years, unless warranted by sales.

So Thinks the Consumer

But the heart of the problem rests with the ultimate consumer. What he or she buys determines what stores sell. A survey recently made in Ontario, greatest retail area and most definite private-national brand war-zone in Canada, shows that nationally advertised products are still many laps ahead of their rivals.

Take Your Pick

Shoppers in Ontario, when asked to pick their favorites between the two types, lined up the brands of representative products as follows:

Baking Powder — A total of 870 consumers answered, and 74 per cent favored the nationally advertised brands. First and second position went to Magic with 519 mentions and Royal with 70 "A" and "B," two private brands, scored 10 apiece.

Canned Milk — 231 gave their answers but not one mention of a private brand.

Coffee—Chase and Sanborn topped the list with 54, while its nationally advertised rival, Maxwell House, got 45 mentions. No private brand was mentioned more than 18 times.

Tea—Here again tea followed coffee, with Salada getting 66 mentions and Red Rose 31. The leading private brand was mentioned five times.

Ginger Ale—Jumping from hot to cold drinks seems to make little difference. Canada Dry is mentioned 131 times, and Alpine Club, bottled by Loblaws, was the only private brand to score, getting one mention.

Canned Vegetables — Aylmer got 97 mentions, while two leading private brands got only two votes apiece.

Floor Wax — Cleaning up with floor wax, we find that Johnson's stood well ahead with 136 mentions. and Old English second with 53. But 29 private brands got only one or two mentions apiece.

Don't Underestimate Private Brands

On the basis of these specific products, it might seem that private brands are not important. Seldom do these brands reach the point where they outsell well-known national advertised products, but the concentration of buying and selling activities is constantly widening their range.

A government survey in the United States showed that they account for approximately 25 per cent of the total retail sales. On this basis there is nothing more fatal than underestimating their importance. For at the present time the number of commodities under private labels, especially in chain stores, is progressively increasing.

Not Losing Popularity

Private brands cannot be said to be losing any of their popularity. Even in 1930, when they were not as strong as at present, the A. & P. and Kroger chain stores alone in the United States had private brand sales of $250 millions. And it is possible to build up sales without resorting to substitution, especially in self-serve stores like Loblaws.

At the same time, while private brands are said to be a thorn in the side of the manufacturer, they are liked by the jobbers. Group members also get behind their brands, resulting in larger sales.

How to Combat Trend

Kresge variety chain is the latest newcomer to enter the private brand field in drugs. They are starting to offer 25 drugs, all private brands, under name of Ethi.

Here is where the manufacturer must make his own choice. The development of private brands through chain stores and voluntary buying groups cannot be stopped. But many manufacturers are realizing, some from bitter experience, that they must have one brand of their own besides that which they are putting up under a private label.

Certain manufacturers have found that it is not possible just to secure a large contract for private brand goods and then sit tight. For competitors enter the scene, a lower bid is made, and then they are out in the cold with nothing. No brand of their own to fall back on, and their former private outlet gone.

History Repeats Itself

This private versus nationally advertised brands figured in business news headlines about 20 years ago. During good times there was little heard of the controversy. In depressed periods, much like the present, the whole matter came to the front again.

But it should be remembered that the independents are still, in the aggregate, the biggest buyers and sellers. And most independents stick close to nationally advertised products. Consumer acceptance has been tried and tested with these products and they have a national appeal.

Municipalities Report Increased 1934 Arrears

The third annual compilation of Canadian municipal statistics by A. E. Ames & Co. reveals the following information: Twenty municipalities showed a smaller per capita amount of tax arrears in 1934 than in 1933 while 36 municipalities indicated a greater amount. Twenty-one municipalities indicated a smaller percentage of collections, and 34 a greater percentage in 1934 over 1933. Forty municipalities showed a smaller and 13 municipalities a greater per capita net funded debt (after sinking fund and excluding bank loans) in 1934 than in 1933.

New Westminster Port Gains

The port of New Westminster showed increases in 1934 in the exports of lumber, bar metal, box shooks, broom handles, wheat, apples, paper, frozen fish, evaporated milk, rice, wool, doors and general cargoes.

Moose Jaw Trading Area

According to a report of the Moose Jaw Board of Trade, this city's trading territory has an area of about 15,117 square miles, comprising 47 rural municipalities, with a population of 110,111.

FIDELITY
Insurance Company
of Canada
TORONTO

GUARANTEED BY EAGLE, STAR AND BRITISH DOMINIONS INSURANCE CO. LIMITED, OF LONDON, ENGLAND

FIRE, CASUALTY
INLAND
TRANSPORTATION

BRITISH NORTHWESTERN FIRE INSURANCE COMPANY

HEAD OFFICE FOR CANADA: 217 BAY ST., TORONTO

J. H. RIDDEL, *Manager* · V. G. CREBER, *Asst. Manager* · S. FAIRLEY, *Secretary*

TORONTO AGENTS:
Armour, Bell, Boswell & Cronyn Limited,
24 King Street West, Toronto

FIRE
AUTOMOBILE
Assets Over $4,677,000

MARINE
CASUALTY
Losses Paid Since Organization of Company in 1833 over $73,900,000

BRITISH AMERICA ASSURANCE COMPANY

CO-OPERATION WITH THE AGENT

FAIR DEALING WITH THE INSURED

THE
BRITISH AMERICA
ASSURANCE COMPANY
OF TORONTO
TORONTO - CANADA

OVER HALF A CENTURY OF "SERVICE WITH SECURITY"

PORTAGE PROTECTION

gives coverage at cost. Policies are non-assessable, backed by ample resources and guarded by reinsurance treaties.

Est. 1884

The
PORTAGE LA PRAIRIE
Mutual Insurance Company
Portage la Prairie, Man.

MONTREAL TORONTO WINNIPEG REGINA VANCOUVER

WRITING FIRE AND WINDSTORM

PROTECTION

The Independent Order of Foresters is a fraternal benefit society operating under a lodge system and existing for the purpose of affording to men and women the completest protection at the minimum cost. This protection covers practically every phase of family life. In addition to the protection afforded through its Insurance and Sick Benefit Departments, a number of practical fraternal benefits are available to its members.

Total Benefits paid $125,000,000

Independent Order of Foresters

FRANK E. HAND
Supreme Chief Ranger

HEAD OFFICE: TORONTO, CAN.

"Canada's Largest Fire Mutual"

The WAWANESA MUTUAL INSURANCE CO.

Ranks 3rd against all companies on total volume of fire business written in Canada

FIRE · WINDSTORM · SPRINKLER LEAKAGE · AUTOMOBILE
LIABILITY · DOCTORS' AND DENTISTS' LIABILITY · PLATE GLASS

Head Office—WAWANESA, Man.
Eastern Office—341 CHURCH ST., TORONTO, Ont.
Branches also at Vancouver, B.C.; Edmonton, Alta.; Regina, Sask.; Winnipeg, Man.; Montreal, P.Q., and Saint John, N.B.

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE WASHINGTON

BRANCH OFFICES
Toronto
Ottawa
Vancouver
Victoria
Edmonton
Calgary
Saskatoon
Winnipeg
Montreal
Quebec City
St. John
Halifax

HEAD OFFICE FOR CANADA
HAMILTON ONTARIO

WRITING FIRE AND AUTOMOBILE INSURANCE AT COST. ASSETS $5,183,603.19

ALL POLICIES NON-ASSESSABLE PAYING DIVIDENDS RANGING FROM 20% TO 30% ON RENEWALS

Your Investments

What We Do:

1. Give information on Canadian securities to enquiring subscribers by early mail.
2. Publish anonymously on this page letters of general interest.
3. Supply an enquiry service of fact rather than of opinion.

What We Don't Do:

1. Answer enquiries of non-subscribers.
2. Answer enquiries on United States or foreign securities.
3. Reply by telephone or telegraph to enquiries.
4. Select lists of securities; express opinions; forecast the future.

Three-cent stamp must be enclosed. Write mining and insurance enquiries on separate sheets. Address the editor, The Financial Post, 481 University Ave., Toronto.

C. P. R. Preference

Would you be good enough to let me know the amount of the outstanding Canadian Pacific Railway preference stock? Is the dividend payable in sterling or Canadian funds? Also can you tell me what are the prospects of a resumption of dividends on this stock?

At the end of 1934, the Canadian Pacific Railway had issued $137,256,921 of four per cent preference stock. This stock is issued in multiples of £1. Until the passing of the dividends on October 1, 1932, payment was made in pounds sterling.

The company's income statement for 1934 showed that net profits were sufficient to pay the dividend on the preference shares. The management of the company, on the other hand, decided that under the present unstable financial conditions, it was necessary to preserve the cash position of the company, and accordingly they did not feel justified in paying any dividends in respect to the year 1934.

Returns for the current year to date do not indicate that there will be any marked change in earning power. Consequently it is not expected that the preference shareholders will receive a dividend in the near future.

Champlain Oil

As a subscriber to The Financial Post I would appreciate your opinion on Champlain Oil Products. I would like to know the field in which this company operates and something regarding its earning power.

Champlain Oils is one of the smaller refining and distributing companies in Quebec and Eastern Ontario. It operates a number of service stations through subsidiary companies. The company has insufficient refining capacity to supply the demand for its products, and consequently contracted with three large Canadian oil companies for the purchase of its additional requirements. The contract is for a term of ten years dating from January 1, 1933, and is renewable at the option of the company for a further term of ten years. No particulars have been made public by the company as to the parties to this agreement. This contract is said to give the company a fixed spread between the wholesale and retail price of gasoline.

In the first public report issued by Champlain Oil Products covering the 18 months period ended July 31, 1934, the company showed a net income from operations of $627,953. After deducting all the prior charges, this was equivalent to 86 cents a share on the preferred stock, as against dividend requirements of 60 cents a share.

At the present time, earning power of Champlain Oil Products, as well as the other companies operating in the Montreal territory, has been affected by a gasoline price war.

Royal Bank

It would be appreciated if you could let me have your opinion on the stock of the Royal Bank of Canada. There seems to be some uncertainty in this group of securities as reflected in market values, and I would like to know the reason for the change in attitude of investors toward bank stocks.

Royal Bank of Canada is one of the largest of Canadian chartered banks and its record to date has been a favorable one.

The establishment of a central bank, together with the decline in demand for commercial loans, etc., has affected confidence in the outlook for the chartered banks. Earning power has fallen off in the last two or three years and the impression has gained ground that the banks may find it increasingly difficult to utilize their cash resources. Industrial and commercial requirements have been at a low ebb, which has made it necessary for the banks to purchase low-yielding, short-term Government securities. The percentage of the total assets of the banks which have been invested in Government securities in the last five years has increased very rapidly, so that earnings available for distribution in the way of dividends on common stock have declined. This situation has already been reflected in a reduction in dividends.

The position of the Royal Bank does not differ materially from that of the other chartered institutions, consequently, for the time being, investors are not looking on bank stocks as favorably as they did say five or six years ago.

N. B. Telephone

As a subscriber to The Financial Post, I would like to avail myself of your services to secure a report on New Brunswick Telephone Co. I am considering the purchase of this stock and would like to have any information pertaining to its investment merits.

New Brunswick Telephone Co., controlled by the Bell Telephone Co. of Canada, owns and operates a telephone system covering the province of New Brunswick. Since its establishment in 1889 the company has steadily expanded and dividends have been paid on the capital stock since 1909. The company, unlike some of the other telephone companies in this country, has no funded debt, its only capital liability being $5,784,840 of common stock. Between 1931 and 1933 the company suffered from an adverse working capital position, owing to large capital expenditures on capital account. Towards the end of 1934 the company offered stock rights to its shareholders. The receipts from this stock issue enabled the company to pay off its bank loans and to create an excess of current assets over current liabilities.

Trend of earnings of the New Brunswick Telephone Co. showed a betterment in 1934 as compared with 1933, though income is still below the average prevailing in the last seven years. For 1934 there was a surplus after dividends of $15,913, as compared with a deficit of $389 on the same basis in 1933. Preliminary reports indicate that the volume of business, together with the stations installed, for the first five months of this year, were on a larger basis than in 1934. Provided there is no setback, expectations are that the annual statement for 1935 will show a further gain in earning power.

N. S. Steel Bonds

May I ask if you will give me what information you can as to the position and prospects of the first mortgage five per cent bonds of Nova Scotia Steel & Coal Company due 1959. I own a bond for over $1,000 bought over 21 years ago. I know the company went into the receivers' hands but surely something should be done, if only to wind up the company and pay its debts as far as the assets go. In theory, I think that this is one of the functions of a receiver, though the longer the matter is drawn out the more are the fees. I am under the impression that in some way or other N. S. Steel & Coal Co. came under control of Dominion Iron & Steel Co., but that may not affect the holders of the first mortgage bonds. I think it must be five to seven years since the last interest was paid.

Canada does not shine of late in her treatment of investors in her bonds, notably Ontario and British Columbia. I felt aggrieved and "done in" in the reorganization of Asbestos Corp.

At the end of 1933, Nova Scotia Steel and Coal Co. had outstanding $4.4 millions of five per cent first mortgage sinking fund bonds due July 1, 1959, and $5 millions of six per cent perpetual mortgage debenture stock. The company was placed in receivership in January, 1933, following default in payment of interest on the debenture stock on January 14, 1933. The first mortgage issue was secured by a first mortgage on all the property of the company now held or hereafter acquired. The six per cent debenture stock was also secured by mortgage trust deed on the present and future property of the company, subject only to the prior claim of first mortgage bonds.

The market today for the 1st mortgage 5's is 24 bid, 26 asked and for the debenture stock 6's it is 6 bid, 8 asked.

The company is controlled by Dominion Steel and Coal Corp., formerly British Empire Steel Corp., but actual conduct of the company's affairs is now under the receiver-manager, Hon. Gordon W. Scott, C.A., and the Eastern Trust Co.

The receiver and liquidator for Nova Scotia Steel and Coal Co. has not issued a financial statement since taking over control of the company's property and undertakings in January, 1933. Consequently we are not in a position to advise you on the present financial position of this company.

There has been no reorganization of Nova Scotia Steel & Coal. As a matter of fact, when the company got into difficulty, its operations were divorced from that of Dominion Steel & Coal Corp., the successor to British Empire Steel Corporation. So far there is no indication of a reorganization being carried out in the near future.

In many respects, the statement made in 1933 by T. F. Tobin, chairman of the bondholders' committee, still is valid. He stated that the bondholders found themselves in the unfortunate position of controlling, through the court, properties which have great potential value but no cash. It has been necessary therefore in order to protect the security holder and to salvage the industry to borrow money to save the property and the whole undertaking. Otherwise the property would have had to be put on the auction block which, at that time, would have been considered suicidal not only to the security holders but to the many employees serving the company. He considered salvation of the industry lay in having it carried on by the officers appointed by the court pending realization of reorganization by the bondholders' committee. The company's last statement at the end of 1932 showed a fair working capital position, but the current assets were mainly inventory and trade accounts receivable. There were no bank loans at that time.

The company's subsidiaries, Eastern Car Co., Acadia Coal Co., Nova Scotia Land Co., and Wasis Steamship Co., are still solvent.

Steel of Canada

Will you please let me know the arrears of dividends on the common stock of Steel Co. of Canada? Has there been any change in the dividend rate lately and what is the present distribution to shareholders?

The common stock dividend of Steel Co. of Canada has not been passed nor are there any arrears. You probably have been confused by the lawsuit which was taken by some of the common shareholders a few years ago in respect to an increase in dividends on the preference shares. After the preferred and common shares were split, the management increased the dividend on the participating preferred from 7 to 8 per cent. Two shareholders on behalf of the shareholders of the ordinary shares filed an action against the company, claiming that the preferred shareholders could not participate in the increased dividends until such time as the ordinary shareholders had received 7 per cent on their stock from incorporation. A favorable decision was secured in the lower courts and the matter was taken to the Privy Council which ruled that the company could not increase the dividend on the preference shares until such time as the ordinary shareholders had received a full 7 per cent on their stock. This decision renders the company liable to arrears of dividends of approximately $5,000,000 on the ordinary stock before there can be any increase on the preference over 7 per cent. This does not represent a liability, as you will readily understand, because as long as the company does not increase the dividend on the preference stock it does not have to pay up these "arrears" on the ordinary stock.

In 1933 the management reduced the dividend on the ordinary stock from $1.75 to $1.20 a share. The rate had been reduced from $1.75 per annum with quarterly payments of 30 cents a share made May 1, 1933. On February 1, 1935, an additional 27½ cents a share was declared. At present the old rate of $1.75 a share is in effect.

Atlantic Utilities

Please let me have a report on Atlantic Utilities. I would like particulars as to capitalization and earning power.

Atlantic Utilities is a wholly-owned subsidiary of Maritime Telegraph and Telephone Co., operating the principal telephone system of Prince Edward Island, together with various other minor activities.

Capitalization of the company consists of $500,000 of 5 per cent first mortgage collateral trust bonds and $100,000 of 6 per cent first (closed) mortgage bonds of the Island Telephone Co. The capital stock comprises 270,000 shares of no par value common stock, all of which is held by Maritime Telegraph and Telephone.

No financial statement has been issued by Atlantic Utilities since 1932. In that year net earnings, after deducting all senior charges, including depreciation, amounted to $62,174. This compared with $77,893 in 1931 and $57,112 in the year 1930. Interest payments have been met regularly. There is no sinking fund in connection with the 5 per cent first mortgage and collateral trust bonds, while our records do not show whether or not the Island Telephone Co. bonds have a sinking fund.

M. & O. Paper Bonds

I hold Minnesota and Ontario Paper Co. bonds. What is the current position? When may we expect a reorganization? Is there any market for the bonds at the present time?

Minnesota and Ontario Paper Co. reported an operating loss in 1934 of slightly over $25,000 which was a very substantial improvement compared with a loss of over $800,000 in 1933. Gross earnings increased from approximately $1,400,000 in 1933 to $2,223,000 in 1934. The above figures, however, did not include provision for depreciation, depletion or accrued interest and if these had been taken into consideration, in 1934 alone there would have been a deficit of approximately $3,700,000 as compared with $3,200,000 in 1933. No interest has been paid on the company's bonds since 1931 and from sources close to the receivers, we understand that there is no likelihood of interest being paid until very substantial recovery takes place in the paper and lumber industries in which this company is interested.

It is understood, however, that considerable improvement has taken place in the last two years in regard to management. Production has been diversified, costs drastically reduced, and sales increased. But with newsprint and lumber continuing at present levels it is not expected that the company can do any more than about break even on operations without taking into regard, depreciation, depletion and bond interest. Bonds outstanding of this company amount to almost $28,000,000 with an annual interest charge of approximately $1,680,000. Eventually some reorganization of the company is expected but there is no immediate prospect of such a step. There is a moderately active market for the company's 6 per cent bonds between 13 and 16.

Montreal Trams

Among my investments are a few shares of common stock of Montreal Tramways Co. This stock does not appear to have done very well marketwise in recent months and I would like to have an opinion from you as to the current position of the company.

Montreal Tramway Co.'s contract with the Tramway Commission gives the company a fixed return on its capital investment plus other charges. In the last two years the Commission's revenues have not been sufficient to meet all the charges as called for under this contract. Consequently the Commission has had to forego payment of the annual rental to the city, while last year there was a shortage of less than $100,000 owing to the company under the contract. While on the surface this would appear to be rather unsatisfactory from the point of view of the common shareholders in the Montreal Tramways Co., yet the point should not be overlooked that a very small increase in the volume of traffic would put the Commission's finances on a sound basis. So far the revenues of the company have been sufficient to meet all charges, including dividends on the capital stock. There does not appear to be any indication of a change in policy on the part of the Montreal Tramways management in regard to the common stock dividends. That there is some uncertainty, however, is indicated by the fact that the stock is selling at a discount.

Canadian Bakeries

Canadian Bakeries preferred stock has been recommended to me as a low-priced security which has paid its dividend regularly and which therefore has a good chance of appreciation. Is this correct?

Canadian Bakeries Ltd. is controlled by Maple Leaf Milling Co. Neither the baking company nor the milling company have earned or paid dividends for several years. So far Canadian Bakeries has paid its bond interest, although it has not been earning it.

It would be interesting to know who represents the preferred shares as dividend-payers. Canadian Bakeries can hardly be represented as a preferred stock which is paying its dividend and, therefore, offers attractive possibilities due to its low price. The shares last paid a dividend in September, 1931, and have made no payment since. Perhaps you are confusing the preferred stock with the bonds.

Canadian Hydro

I purchased some of the first preferred stock of Canadian Hydro-Electric Corp. at a price considerably above the present market. Do you think it would be worth while to buy some more of this stock now, and average down on my cost?

Prospects for Canadian Hydro-Electric Corp. are uncertain under present conditions. This uncertainty arises from the fact that the Ontario Government has passed enabling legislation which will permit it to cancel contracts held by the Quebec power companies with the Ontario Hydro. To date this power has not been used, but in view of developments in the past week, it is likely that matters will come to a head before long.

Canadian Hydro-Electric Corp.'s income and its ability to pay dividends on its first preference stock is almost solely dependent upon its revenue from the Gatineau Power Co. The latter is the operating company which holds the contracts with Ontario Hydro. The loss of Ontario Hydro business to Gatineau Power would be a serious blow and would likely prevent the company from paying anything in the way of dividends to Canadian Hydro-Electric. Consequently until the Ontario Hydro Power situation is cleared up, the outlook for Canadian Hydro cannot be regarded as other than very uncertain. In adding to your holdings you would be increasing a risk dependent on this uncertainty

Mining Enquiries

Big Missouri

I am taking advantage of the invitation to make use of your good services. I wish to ask you for a brief understandable description of the Big Missouri set-up, and is it a good buy at around 71 cents?

Big Missouri Mine Corp. operates as a holding company. Through associated companies and subsidiaries, it is interested in several mining properties, the principal ones at the present time being Buena Vista Mining Co., which is under development by Consolidated Mining Co. of Canada Ltd., and Missouri Monarch Consolidated Mines Co.

Buena Vista Mining Co., in which concern Big Missouri owns a 40 per cent interest, is one of those numerous properties whose chances of success have been materially enhanced by current gold prices. The property is being developed by means of two tunnels. In the upper tunnel results have been very encouraging, and work is now concentrating on the lower tunnel which will determine whether mill construction is justified. This property is still a speculation but one which is getting experience and first rate management under Consolidated Smelters.

On the Missouri Monarch property work is less advanced but preliminary results have also been encouraging. Big Missouri Mines Corporation own 1,260,000 shares in this company and in addition own $10,000 in notes. This amounts to an interest of 40 per cent.

Current assets of Big Missouri exceeded current liabilities by $14,096 as at Dec. 31, 1934.

You will note that this stock reached a high in 1935 of 75c. per share and a low of 31c. At the time of writing the stock is selling at around 58c. per share. At this price it would not appear that the market is underestimating the value of this proposition.

Consolidated Smelters

A few weeks ago I bought five shares of Consolidated Mining & Smelting Co. stock at $160. Shortly afterwards it went to $184¾. At present it is down again. I believe it was around $550 at one time. Will you kindly tell me what dividend it paid at that time, and why such a high price? What is its production record today compared with other years?

Stock of Consolidated Mining and Smelting Company of Canada reached its peak in 1929 with $575 bid per share. At that time the company was at its highest dividend paying ability, paying in 1929, 10 per cent, plus 40 per cent on a $25 par value stock or a total of over $6.5 millions. In 1934, with the stock selling at the market to a high of $170, total dividends paid amounted to over $1.9 millions, which answers your question as to the stock market action of these shares.

While this company, essentially a base metal producer, has been severely hit by the low prices for base metals prevailing for a number of years, it showed in its annual report for the year ended December 31, 1934, substantial improvement. In 1934 the company earned an equivalent of $3.39 per share as compared with earnings of only $1.62 in 1933, and nil in 1932 and 1931. Last year also the dividend increased materially, the company paying a total of $3 per share, whereas in 1933 they were able to pay only $1.50. Official production figures published by the company show that the volume of output of its principal product is consistently increasing. In addition to the fact that base metal prices at the time of writing show some signs of improving, the company is aided by the higher price for gold and the rise in the price of silver. The company's silver production has increased considerably since higher prices for this metal obtained.

As a result of the stimulus given to gold mining in the rise in the price of gold, the company entered this field in an aggressive manner, and today is one of the most active exploration companies in the Dominion. It is fortunate in having efficient and sound management, and there is no reason to believe that if base metal prices regain their normal level this company will be in a fortunate position.

Canadian Reserve

The executors of an estate are holding 600 shares of Canadian Reserve Mines, and have been offered 24½ cents per share for it. What is your opinion of this stock?

After a number of years of cruel panhandling, the property now known as Canadian Reserve appears, for the first time to be getting a fair chance to show its merit.

In The Financial Post of May 25, the new arrangement for this company, whereby development will be undertaken by Castle-Trethewey Mines, was fully described. Under this proposal, a new company, Omega Gold Mines has been formed with a capitalization of 5,000,000 shares of $1 par value. Castle-Trethewey, well known former silver producer, will receive 2,500,000 shares upon completion of the present development programme. Canadian Reserve Mines and Proprietary Mines will receive 1,000,000 shares. The remaining 500,000 shares will be used to pay commission and to provide funds for the liquidation of the liabilities of Canadian Reserve.

You will notice therefore that the chief interest in Canadian Reserve stock is in its 1,000,000 shares equity of Omega Gold Mines. The property itself has seen a considerable amount of development work. When the last ore estimate was made, in 1933, it was stated 3,000,000 tons had been indicated, averaging $10 per ton at $35 gold. On the Costello property, formerly owned by Proprietary Mines is a 200-ton cyanide mill. The stage is all set now for experienced development of this property, a step which has previously been handicapper by promotional juggling.

In view of the fact that at the time of writing we understand that the bid price for this stock on the unlisted section in Toronto is 30 cents bid and no offer, we would see no particular advantage in accepting the 24½ cent offer referred to in your letter.

Macassa Mines

What is the trouble with Macassa? Despite the fact it is now paying dividends the stock is lower than before the mill started.

Macassa Mines is handled by men of considerable mining experience and last year joined the ranks of dividend payers. On July 2 the company paid its third dividend of 5 cents a share. At present the company has a larger tonnage of indicated ore than ever before. The mill is handling regularly about 5,900 tons of ore per month, averaging $15.59 per ton. The last fiscal year ended March 31, 1935, the company increased its working capital from $216,821 as at March 31, 1934, to $360,057. Earnings per share increased during the year from 6 cents to 15 cents.

In view of all these facts it is on the surface hard to understand the market reaction. It is generally ascribed, however, in mining circles to the somewhat experimental nature of the company's operations. As you are probably aware, the company was formed in an effort to prove up the Westerly extension of the rich Kirkland Lake belt. While estimated ore reserves as at March 31, 1935, consisted of nearly 72,000 tons of ore with an average value per ton at $35 per ounce gold of $15, it is felt by some observers that the ore possibilities of this property are definitely limited. It is believed to be this group which is having a depressing effect on the market.

Granting, however, that the whole proposition is in the nature of an experiment, the fact remains that up until March, 1935, no level had been fully explored but yet new ore shoots were opened up on the 1,400, 1,500, 1,750, 1,850 and 2,675-foot levels during 1934 and 1935. The estimate of 72,000 tons of ore reserves referred to above took only positive ore and excluded partially developed tonnage. In addition to this it should be remembered that the technical end of this company compares favorably with any mine in Canada.

Rackets

All For 10 Per Cent

THE old "10 per cent racket" is being worked to death in Canada these days.

The modus operandi is to get the list of shareholders of a mining company which has shot its bolt. Two men approach a shareholder who has probably given up hope of his investment in the stock ever amounting to anything.

The following conversation ensues:

"Mr. Brown, allow me to introduce Mr. C——. He is a lawyer who has something interesting to tell you about XTC Mining Co. of which you are a shareholder. Now, don't misunderstand me. We are not trying to sell you any stock. The mine is done. We would not advise you to put another nickel into this stock. But Mr. C—— has discovered something which will be of benefit to the shareholders nevertheless."

Then Mr. C—— talks. "What I have discovered is that the XCT Mining Co. still has $175,000 standing to its credit in the bank. The company are continuing to pay salaries to insiders and fees to directors and they pretend to be looking for another property, or to expect something from the old mine because of a new find. I don't think they have a chance and it is just too bad for shareholders. They should have that much money back anyway out of what they invested. I know where that money is and I have a plan for getting it through court action. But I need money. I cannot work for nothing any more than you can, Mr. Brown. The question is, are you willing to pay 10 per cent of your original investment to me if I get back (or guarantee to get back) half of your original investment? That is, for every $100 you paid originally I am sure I can get back $50 if you will pay $10 for legal expenses."

Reports from various parts of the country indicate that this old ruse is being quite successful. The money is put up, the two men disappear and nothing more is heard of money or law suit. In some cases enquiry shows that the company has the money in the bank to which the enterprising rascals referred. That makes it difficult to stop them in mid-career by operation of the law. They are not selling securities and so do not come under the jurisdiction of the various securities commissioners. They are simply offering to collect through the courts a sum that actually exists in some cases. They promise to exclude from the benefits of the collection all but those who paid actual money for treasury shares unless the man they approach happens to have bought the other kind.

AGNEW-SURPASS DECLARES BONUS

Betterment in Income is Reflected in Larger Payments

From Our Own Correspondent

MONTREAL.—In addition to the yearly dividend of 20 cents on the common stock, directors of Agnew-Surpass Shoe Stores have declared a bonus of 20 cents a share. Both the regular dividend and bonus will be paid on September 2 to shareholders of record August 15.

There was a marked improvement in the company's operations last year, gross sales amounting to $2.2 millions, compared with $1.9 millions in the previous year. After taking care of all operating expenses, depreciation and provision for taxes, the net profit available for dividends amounted to $102,013 as against $59,819 in 1933. This was equivalent to $10.20 a share on the preferred and 40 cents a share on the common stock, as against $5.98 on the preferred and nothing on the common in the previous twelve months.

Sugar Beets in Manitoba

Experiments in the growing of sugar beets, conducted in Manitoba during the past 5 years, have proved that the province is admirably suited for this industry. Plans are now under way for the establishment of a beet sugar refinery to cost $1,500,000.

CANADIAN SECURITIES
Dominion and Provincial Government Bonds
Municipal Bonds
Public Utility
and
Industrial Financing
DOMINION SECURITIES CORPORATION LIMITED
TORONTO MONTREAL WINNIPEG VANCOUVER NEW YORK LONDON, ENG.
15 King Street West, Toronto

C. G. INVESTMENTS CHANGES POLICY TO RAISE INCOME

Switch from Capital Appreciation to Increase in Revenue

A switch from an investment policy aimed chiefly at capital appreciation to one designed to increase income is indicated by Rt. Hon. Arthur Meighen, president of Canadian General Investments, Ltd. Mr. Meighen makes the statement in a letter accompanying the financial statement for the first half of 1935, details of which will be found on page 15.

For the past two years, the investment policy of the management has been to make such investments as would permit of capital appreciation without unduly sacrificing a fair income. It is now felt that this has been justified by the substantial appreciation amounting to 24 per cent in 1933 and 25.4 per cent in 1934.

However, Mr. Meighen states that "Owing to the fact that there has already taken place a substantial recovery in most of the securities of the type suitable for the company, directors have felt it wise to modify this policy and invest more funds in dividend and interest bearing securities with a view to maintaining and increasing net income which can be distributed to shareholders in the form of dividends."

Can. Wineries Pays More in Taxes Than Dividends

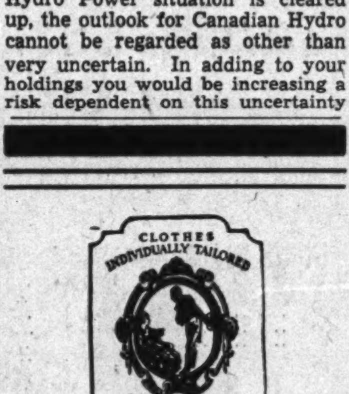
Questions by shareholders at the annual meeting of Canadian Wineries on July 10 in Toronto brought the information that the total direct taxes paid by the company to the federal government, provincial government and municipalities amounted to $122,000 as compared with net income after depreciation of $48,000. In other words, governments get more than shareholders.

Thomas A. Chisholm was added to the Board to fill a vacancy which has existed for some time. Mr. Chisholm has had long experience in banking and business.

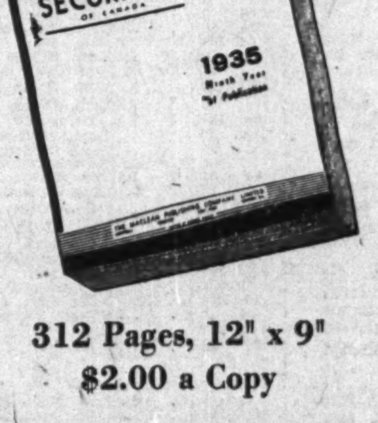
80th ANNIVERSARY
1855 1935
FOR 80 YEARS
"CANADA PERMANENT" has had and fully merited the confidence of many thousands of investors, no one of whom has at any time in that long period experienced the slightest delay in the receipt of funds to which he was entitled.
FOR 80 YEARS
"CANADA PERMANENT" has not only effectually safeguarded but has been of material assistance in increasing the savings of prudent and thrifty citizens.
FOR 80 YEARS
"CANADA PERMANENT" has been a growing asset to Canada, and the
SAFE DEPOSITORY FOR SAVINGS
CANADA PERMANENT MORTGAGE CORPORATION
Head Office: 320 Bay St., Toronto
Combined Assets Exceed $100,000,000

THE ONTARIO LOAN AND DEBENTURE CO
LONDON, CANADA
Established 1870
Assets over $14,000,000
3% PAID ON DEPOSITS 3½% ON DEBENTURES
Archibald McPherson, *President.* T. H. Main, *Manager.*

You'll Enjoy Your Stay at Detroit's Newest Downtown Hotel
THE DETROIT-LELAND
Rates from $2.50 Every Room with Bath
Beautiful lounges, large outside rooms and friendly service will make your visit a most pleasant one.
Conveniently located at Cass and Bagley Avenues close to theatres, stores and business districts.
Ample parking space—Garage in connection.
"Famous for Moderately Priced Fine Food"



Sport Ensembles
Contrasting sports jackets and slacks are very smart for sporting events and out-door social affairs.
We have an exclusive range of materials from which to choose.
Levy Bros.
69 W. King St., Toronto



Use This Book to Check Your Investments
312 Pages, 12" x 9"
$2.00 a Copy
This Book Gives:
1. History of each company's organization and development.
2. Names of all officers and directors.
3. Balance sheet and income and surplus account for three years.
4. Price range of stock for past four years.
5. Dividend rate and when payable.
6. Capital structure and funded debt.
7. Funds in which bond interest is payable.
This book gives the complete facts on 1,500 Canadian corporations whose securities are in the hands of the public, including those listed on Canadian Stock and Curb Exchanges and many unlisted securities.
Many changes have taken place in the structure of Canadian companies in the past year. Improved conditions have influenced operations and earnings. The new 1935 edition of The Financial Post Survey of Corporate Securities contains details of all such changes. It is essential that the investor secure this new edition if he is to know the present position of the companies in which he is interested.
Bonds and stocks of well managed and long established companies appear to offer attractive opportunities if held for a reasonable period. The Survey of Corporate Securities supplies the information needed to enable the investor to determine the relative merits of securities; to study present holdings; to consider "trades."
Send in your order now. Fill in the coupon below and return it, along with payment for the copies you require.
THE FINANCIAL POST,
481 University Ave., Toronto 2, Canada.
Please send me postpaid . . . copies of The Financial Post Survey of Corporate Securities, 1935, at $2 a copy. Enclosed is $..........in payment.
Name ....
Address ....
.... 574

SWEETENED CONDENSED MILK

EAGLE BRAND CONDENSED MILK

In 1851, Gail Borden went to Europe to receive a medal for his work as an inventor. The lack of pure milk on shipboard directed his inventive genius to a process for canning milk. The Eagle Brand trade mark was adopted in 1863.

Today the Borden Company is a great industrial organization carrying on its operations in farm produce, cheese, ice cream, milk and dairy products and manufactured food products through 133 subsidiaries.

Advertising of Eagle Brand Condensed Milk appears in

Maclean's
Canada's National Magazine

◆

Canada Cement Sales Reflect Output Figures

From Our Own Correspondent

MONTREAL. — A moderate improvement in the volume of business handled by the Canada Cement Co. in the first four months of this year is indicated by the fact that during this period, production of cement in Canada increased by 10 per cent.

As the construction work throughout the country during May and June has been more active than for the corresponding months of last year, with June showing an increase of $6 millions over the same month of 1934, it is possible that this improvement has continued.

The recent reopening of the company's plant in Manitoba reflects the improved sentiment throughout the West.

Highest in Toronto

Receipts from motion picture theatres in Canadian cities in 1934 were highest in Toronto, amounting to $4.7 millions, increasing 1.8 per cent over 1933. Montreal showed a decrease of 3.2 per cent, with the amount reported at $3.9 millions.

AREAS OF PUBLIC IGNORANCE

John Darr, public relations counsel in New York, prepares a chart on public ignorance that should be read by every business man in United States and Canada.

Reproduced below from Whaley-Eaton's cleverly edited "Sphere" for July, is this chart. It shows in WHITE the low percentage of information known to the public about steel alloys, gasoline, life insurance, rubber, radios, brewing, banking.

The chart shows in BLACK the high percentage of public ignorance on these same questions; it applies alike to plebe and plute.

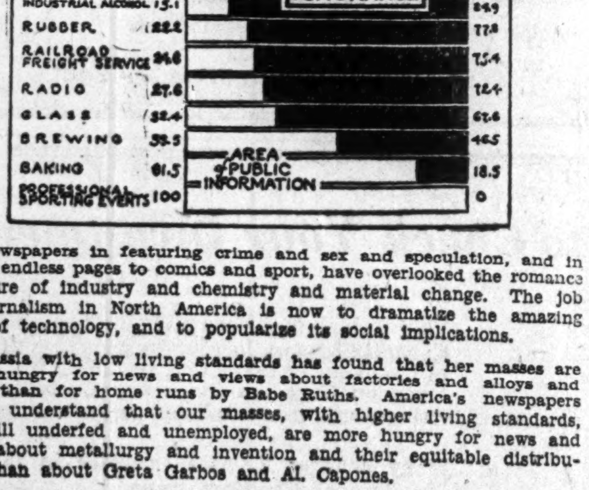
The chart shows that the public knows only 5% of how the metallurgist and engineer with new light weight rustless steel is changing our world with light weight trains and ships and homes.

It shows that on a vital question like life insurance the public has only about 8% of the known facts.

On railroads the public knows about 24% of what there is to know; the other 76% is a dark abyss.

But on professional sports the public is fully advised. BABE RUTH OR THE MAN WHO CAN BAT A BALL OVER THE FENCE IS KNOWN TO EVERYONE, WHILE THE METALLURGIST OR FACTORY WHICH CAN PRODUCE A NEW ALLOY, OR AUTO, OR COFFEE POT, IS KNOWN TO ONLY A FEW ASSOCIATES.

Studying this chart shows how difficult is the problem of government. Here it is:



Newspapers in featuring crime and sex and speculation, and in giving endless pages to comics and sport, have overlooked the romance and lure of industry and chemistry and material change. The job of journalism in North America is now to dramatize the amazing facts of technology, and to popularize its social implications.

Russia with low living standards has found that her masses are more hungry for news and views about factories and alloys and crops, than for home runs by Babe Ruths. America's newspapers should understand that our masses, with higher living standards, but still underfed and unemployed, are more hungry for news and views about metallurgy and invention and their equitable distribution, than about Greta Garbos and Al. Capones.

This black area of public ignorance is the area that the Huey Longs, the Father Coughlins and our ranting radicals operate in. Are they and their kind to occupy it unchallenged?

With their big raucous or quiet seductive voices over the radio, it is an easy job for them to reach into this black mental void of humanity and, with success, blandly promise to make every last man of us a king.

Business has allowed this castigation of itself to go unanswered until it has become shameful to be called a materialist, and noble to be considered an idealist, whereas enlightened opinion shows how complementary each is to the other.

The only way to head off the radical and demagogue, is for Industry and Finance to show the public its story,—to show in words and chart and picture; and to arouse an appreciation for materials produced by engineers and workers and business men. They should show what business has done and is doing to improve and to change the world.

A few years ago food was a crude material to fill the belly, just as steel was a crude metal of only a few uses. To-day, food and steel are refined and purified and adapted to specific needs.

The romance of food and the change from heavy to light steel can be made as interesting as the croonings of soothsayers promising Communistic miracles.

If Canadian and American business leaders wish better to feed, clothe and keep our people employed, we shall have to give more daily newspaper space enlightening our areas of public ignorance.

Editorial Reprint from July 9 issue of The Vancouver Sun.

"This is an age for institutional advertising"

Vancouver Sun progress has been built upon interpretative informative news and editorial policy.

Catering to neither plebe nor plute The Vancouver Sun has grown to 70,000 families who look to Sun columns for their news and views and goods.

That's why Vancouver Sun advertising is so profitable.

THE VANCOUVER SUN
Vancouver's HOME Newspaper

WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

Montreal, Toronto and Curb Markets

WEEK ENDING JULY 13

Range 1935 High	Low	Divd. Rate in $	Y'ld in % July 13		Sales	Close July 8 (last)	Week Ending (or July 15) High	Low	Close
				A					
2.00	.55	.	...	Abitibi	1850	.60	.70	.55	.60
9¼	3	.	...	Do. pref. 6%	105	4	4½	3¾	4
6½	3	.	...	Do. cert. dep.	....	3½	..	..	..
5	5	.	...	Acadia Sugar	....	5	..	..	..
7	3	.	...	Acme Glove	....	3½	..	..	..
45	32	3.25	8.1	Do. pref.	....	40	..	..	..
9	7½	40+20c	...	Agnew Surp.	165	8	9½	8	9½
100	96	7	7.2	Do. pref.	10	98½	97	97	97
3½	1	.	...	Alta. Pac. Gr.	25	2	2½	2	2
29	17½	.	...	Do. pref.	60	18	19	18	18
25	25	.	...	Aluminium	....	25	..	..	..
2	1½	.	...	Amal. Electric	....	2	..	..	..
18	15	.	...	Do. pref.	....	17	..	..	..
21½	16	.	...	Amer. Cyn. B.	....	21½	..	..	..
30½	25	.	...	Amer. Celanese	....	25	..	..	..
13½	6	.	...	Asbestos v. t.	580	12½	12½	12½	12½
13¾	10½	25c	...	Assoc. Brew.	530	12½	12½	12½	12½
110	104	7	6.5	Do. pref.	30	106	107	107	107
34½	3	.	...	Assoc. Can.	....	3	..	..	..
				B					
66½	55	2.52		Bank of Canada	218	61½	61½	60½	61
132	126	8	6.2	Bk. Can. Nat.	75	128½	128	128	128
204	172	8	4.3	Bk. Montreal	152	182½	185½	183	183½
305	265	12	4.4	Bk. N. Scotia	23	265	270	270	270
235	200	10	5	Bk. Toronto	20	200	200½	200	200½
11	11	50c	...	Barcelona	....	11	..	..	..
6½	4½	.	...	Bathurst Pr.	210	6	5¾	5¾	5¾
2.00	1.00	.	...	Do. (B)	56	1.25	1.30	1.25	1.30
3	1	.	...	Bawlf Grain	....	1	..	..	..
40	20	.	...	Do. pref.	....	20	..	..	..
3	3	.	...	Beath & Sons	....	3	..	..	..
15	8½	.	...	Beatty Bros. A	45	10½	10	10	10
93	85	6	6.5	Do. pref.	....	92½	..	..	..
7½	2½	.	...	Beauharnois	293	3	3½	2½	3½
98½	85	4	4.2	Belding Cort.	....	96	..	..	..
120	116	7	5.8	Do. pref.	....	120	..	..	..
135½	118	6	4.6	Bell Telephone	403	127	129½	127	128½
17	13	1.50	...	Biltmore Hats	....	17	..	..	..
105	97½	7	6.7	Do. pref.	....	105	..	..	..
4	3½	.	...	Bissell, T. E.	....	4	..	..	..
30	25	.	...	Do. pref.	5	30	30	30	30
3½	2	.	...	Blue Ribbon	....	2	..	..	..
29	19½	2	8.7	Do. pref.	35	22	23	22	23
30	27½	2	6.8	Brant. Cord. pf.	170	28½	29	28½	29
10¾	8½	.	...	Brazilian Tr.	8445	8¾	8¾	8½	8½
.95	.55	.	...	Brew. & Distil.	3445	.60	.70	.55	.70
4½	2½	.	...	Brewing Corp.	631	3½	3½	3¼	3½
22½	15½	1.50	7.8	Do. pref.	481	19½	19½	19	19½
14	11	30c	...	Bright, T. G.	....	11	..	..	..
77½	75	6	...	Do. pref.	....	75	..	..	..
16¾	13½	80c	5.1	Brit. Amer. Oil	2957	15½	15¾	15½	15½
1.75	.55	.	...	B. C. Packers	150	.75	.60	.55	.60
18	14½	.	...	Do. pref.	10	14½	14½	14½	14½
30½	21	1.50	7.1	B. C. Power A.	575	22½	22¾	21	22
5	2	.	...	Do. (B)	158	2½	3	2½	2½
1	1	.	...	B.E. Steel, 2nd p	....	1	..	..	..
17½	14½	1.20	7.2	Bruck S. Mills.	145	16¾	16¾	16	16
31	28½	1	4.1	Building Prod.	....	30½	30½	30½	30½
34½	29½	2	6	Burt, F. N.	445	32½	33	32½	33
				C					
84¾	83	6	7.1	Calgary Pr.	....	84¾	..	..	..
5½	2	.	...	Canada Bread	25	2½	2½	2½	2½
80	63	.	...	Do. pref. A.	....	77	..	..	..
30	17	.	...	Do. pref. (B)	50	28	27	26½	26½
9	5½	.	...	Canada Bud	400	6¾	7	6¾	6¾
8½	5¾	.	...	Canada Cement	295	6½	6¾	6½	6¾
64½	51	.	...	Do. pref.	126	52½	53	52½	52½
60½	57	1.50	2.6	Can. & D. Sugar	480	59	58	58	58
b16¾	8½	40c	3.1	Canada Dry	13200	10½	12¾	10½	11½
7	2	.	...	Can. Forg. (A)	....	3	..	..	..
4½	4½	.	...	Do. (B)	....	4½	..	..	..
35	18	.	...	Canada Iron	....	28	..	..	..
55	50	3	5.9	Do. pref.	....	51	..	..	..
450	450	20	4.4	Canada Life	....	450	..	..	..
33¾	29	1.50	4.5	Can. Malting	1510	33½	33¾	33	33½
20½	17½	1.20	6.3	Can. Nor. Pr.	406	19½	19¾	19½	19½
107	98½	7	6.9	Do. pref.	103	101	100½	100	100
56	50	75c	...	Can. Packers	155	54	54¾	53½	54½
115	110	7	6.1	Do. pref.	5	115	113	113	113
75	60	.	...	Can. Paper, pf.	....	65	..	..	..
‡10	10	.	...	Can. Paving	....	..	..	..	..
3¾	2	.	...	Do. pref.	....	3¾	..	..	..
150	125	8	6.2	Can. Perman.	44	125	128½	128	128
2¾	1	.	...	Can. Steamsh's.	110	1	1½	1½	1½
11¾	6	.	...	Do. pref.	80	6¾	7½	6½	7½
29	25	1.60	5.6	Can. Vinegars	45	28	27¾	27¾	27¾
20	19½	.	...	Can. W. Cable	....	20	..	..	..
8	6	.	...	Do. (B)	....	6	..	..	..
1	1	.	...	Can. Bakeries	....	1	..	..	..
20	15	.	...	Do. pref.	8	17	15	15	15
169½	143½	8	5.5	Can. Bk. Com.	104	145	146	144	144
30½	26	60c	2	Can. Bronze	170	30	30	29	29
115	110	7	6.2	Do. pref.	....	112	..	..	..
6¾	3½	.	...	Can. Canners	500	3½	3¾	3¾	3¾
94	75	6	8	Do. 1st pfd.	20	77	76	75	75
9¾	5	30c	5.2	Do. 2nd pfd.	305	5½	5¾	5½	5¾
8¾	6½	.	...	Can. Car & Fd'y	985	7½	7½	6¾	6¾
17	12	.	...	Do. pref.	332	13¾	14½	13½	14½
24½	18½	.	...	Can. Celanese	475	23¾	23¾	23	23½
118	100	7	5.9	Do. pref.	66	118	118	118	118
20½	18	.	...	Do. Rights	740	19¾	19¾	19½	19¾
32	29½	2	6.8	Can. Convert.	....	29½	..	..	..
66	48	4	8.3	Can. Cottons	30	50	48	48	48
105	95	6	6.2	Do. pref.	20	96½	96	96	96
25	19½	1	...	Can. Dredge	1020	23	24¾	23	24¾
106	106	7	6.6	Do. pref.	....	106	..	..	..
85	85	6	7	Can. Fairb. pf.	....	85	..	..	..
30	20¾	1.60	7.7	Can. For. Inv.	25	20¾	20¾	20¾	20¾
107½	103	8	7.4	Do. pref.	10	105	107	107	107
159½	154½	3	1.9	Can. Gen. Elec.	....	159½	..	..	..
64½	58½	3.50	5.9	Do. pref.	151	59¾	59¾	59½	59¾
‡6½	4	40c	...	Can. G. Inv.	....	..	..	..	..
82½	37	6	12	Can. Hyd. El. p	861	43½	52	44	52
10¾	6½	.	...	Can. Ind. Alc.	20515	8½	10	8½	10
9¾	6	.	...	Do. (B)	6555	7	8¾	7	8¾
198½	178½	4	2.2	Can. Indust. B.	....	185	..	..	..
160	148	7	4.5	Do. pref.	....	155¾	..	..	..
†5.00	3.95	.	...	Can. Int. I. Tr.	....	..	..	..	..
25	20	.	...	Do. pref.	....	25	..	..	..
30	21½	1	3.8	Can. Lt. & Pr.	30	29	26	25	25
4	2	.	...	Can. Locomo.	....	2	..	..	..
b2¾	1	.	...	Can. Marconi	7200	2	1¾	1¾	1¾
15	11	50c	4	Canadian Oil	30	13¾	13½	12½	12½
127	113	8	6.5	Do. pref.	2	123	123	123	123
13¾	9¾	.	...	Can. Pacific	6045	9¾	10½	9¾	10½
.15	.10	.	...	C. Pr. & P. Inv.	....	.10	..	..	..
4½	3½	.	...	Do. pref.	....	3½	..	..	..
1.50	1.00	.	...	Can. Vickers	50	1.05	1.00	1.00	1.00
16	6½	.	...	Do. pref.	....	7½	..	..	..
‡49	46	2	...	C. West'ghouse	....	..	..	..	..
6	4½	20c	...	Can. Wineries	80	4½	5	4½	5
17½	15	25c▲	...	Can. Wire Box.	165	17½	17½	17	17
17	9	.	...	Catelli Mac (A)	....	15	..	..	..
2½	1½	.	...	Do. (B)	5	2	2	2	2
‡245	245	8	...	Cent. Can. L'n.	....	..	..	..	..
7¾	6½	60c	8.5	Champ. Oil, pf.	270	7	7	6¾	7
2.35	.91	.	...	Chem. Research	13250	1.20	1.03	.91	.91
2½	1½	.	...	City Gas & Elec	....	1¾	..	..	..
.30	.20	.	...	Claude Neon	40	.20	.25	.20	.25
9¾	6	.	...	Cockshutt Plow	2165	7	7½	6¾	7
.90	.45	.	...	Comm. Alcohol	....	.50	..	..	..
1.00	.80	.	...	Conduits	....	.80	..	..	..
61	48	.	...	Do. pref.	....	55	..	..	..
17	11½	20c	...	Con. Bakeries.	528	14¾	14½	14½	14½
2.12	.75	.	...	Cons. Paper	1858	.80	.80	.75	.75
6	5	.	...	Cons. Press	....	5	..	..	..
184¾	125½	1.25	...	Cons. Smelters.	1394	158	163	157	162
26½	25	.	...	Cons. Sand, pf.	10	26½	26	26	26
193	184	10	5.3	Consumers' Gas	74	189	189	187	188
90	30	1.75▲	...	Corr. P. Box p.	....	90	..	..	..
7	5	.	...	Cosgrave Brew.	....	7	..	..	..
19½	14¾	17½c	...	Cosmos Imp.	95	18½	18½	18½	18½
108	102¾	7	6.5	Do. pref.	10	106½	107	107	107
2½	1½	.	...	Crown Dom. Oil	....	..	..	..	..
28¾	25	4	...	Crow's N. Coal.	....	28¾	..	..	..
				D					
1	1	.	...	David & Fre. B.	....	1	..	..	..
4	2	.	...	Do. (A)	220	2½	2½	2	2½
2¾	2	.	...	De Havilland	....	2¾	..	..	..
‡30	20	.	...	Do. pref.	....	20	..	..	..
†9	5	.	...	Disher Steel	....	..	..	..	..
6½	6½	.	...	Do. pref.	....	6½	..	..	..
22½	13½	.	...	Distill-Seagram.	9250	19¾	22½	19¾	21½
201½	162	10	5.9	Dom. Bank	61	168	167	165½	165½
34	24½	1.20	4.1	Dom. Bridge	551	29½	29½	28½	29½
18¾	17¾	75c	...	Dom. Coal, new	8951	17½	18¾	17¾	18½
23	13	.	...	Dom. Engineer.	15	20	19	19	19
120	110	5	4.5	Dom. Glass	21	112	112	110	110
145	138½	7	5.1	Do. pref.	....	138½	..	..	..
.10	.10	.	...	Dom. Motors	....	.10	..	..	..
34	32	.	...	Dom. Oilcloth	....	34	..	..	..
1	1	.	...	Dom. Pr. Stubs.	....	..	..	..	..
80	80	7	8.7	Dom. Rubber, p	....	80	..	..	..
6	3½	.	...	Dom. St. & C.B.	14443	4½	5½	4½	5
12½	6½	.	...	Dom. Stores	192	6¾	7	6¾	6¾
7¾	3½	.	...	Dom. Tar & Ch.	913	4	4½	3¾	4½
72	42	.	...	Do. pref.	427	54	55	53½	55
82½	63	5	7.3	Dom. Textile	177	67	69	68	68
146½	130	7	5.2	Do. pref.	....	135	..	..	..
4½	2½	.	...	Donnacona P. A	....	2½	..	..	..
1.10	1.00	.	...	Do. (B)	55	1.00	1.00	1.00	1.00
5¾	3	.	...	Dryden Paper	90	3½	3½	3	3
4½	2	.	...	Duff. Paving	....	3	..	..	..
40	20	.	...	Do. pref.	60	20	25	25	25
				E					
2½	1	.	...	East. Koot. Pr.	....	1	..	..	..
14	14	.	...	Do. pref.	....	14	..	..	..
3	2	.	...	East. Dairies	....	2	..	..	..
10	8	.	...	East. Steel	30	8½	9	8½	8½
90½	85	7	8.2	Do. pref.	....	85	..	..	..
75	58½	7	10	East. Theat. pf.	5	70	70	70	70
3½	1	.	...	Easy Washer	....	2	..	..	..
20	14½	43¾c	...	Economic Inv.	....	15	..	..	..
†15	15	.	...	Edmonton D'y	....	..	..	..	..
†80	78¾	6.50	...	Do. pref.	....	..	..	..	..
1	1	.	...	Enamel & Heat.	....	1	..	..	..
12½	7	.	...	Eng. Electric	85	9	9	9	9
6¾	3	.	...	Do. (B)	....	4	..	..	..
9	8	30c	...	European El. A	....	8	..	..	..
				F					
16½	10	50c	...	Fam. Players	....	14	..	..	..
16	14	.	...	Do. Vot. Tr.	....	16	..	..	..
9¾	7¾	50c	5.5	Fanny Farmer	2365	9½	9¾	9½	9¾
32½	23½	50c	...	Ford Motors A.	10191	27½	27¾	26¾	26½
2.25	.75	.	...	For. Pr. Secs.	25	.80	.75	.75	.75
13¾	11	.	...	Foundation Co.	....	12½	..	..	..
5¾	2½	.	...	Fraser Cos.	....	2½	..	..	..
4	2	.	...	Do. Vot. Tr.	15	2½	2½	2	2
61	54	6	10.9	Freiman, pf.	....	55	..	..	..
4	2	.	...	Frost Steel	....	2½	..	..	..
78	68	7	8.9	Do. pref.	10	78	78	78	78
				G					
5½	3	.	...	Gen. St. Wares.	25	3½	3½	3	3½
55	37	.	...	Do. pref.	50	41	42	41	42
72½	72	.	...	Goodyear T., n.	296	..	72½	72	72
52½	51½	.	...	Do. pref.	2008	52	52½	52	52½
1½	1	.	...	Gt. W. Saddlery	....	1	..	..	..
20	16	.	...	Do. pref.	....	16	..	..	..
6¾	4½	.	...	Gurd, Chas.	25	5	5	5	5
‡100½	100	7	...	Do. pref.	....	..	..	..	..
7¾	4½	.	...	Gypsum, Lime.	480	4½	5	4½	5
				H					
5½	3	.	...	Ham. Bridge	5	3½	3½	3½	3½
33	20	.	...	Do. pref.	20	20½	20	20	20
30½	24	50c	...	Ham. Cot., pf.	60	25	25	25	25
2½	1	.	...	Ham. U. Theat.	....	1½	..	..	..
60	50	1	...	Do. pref.	12	50	52	52	52
3½	2½	.	...	Harding Carpet	....	2½	..	..	..
12	10	12½c	...	Hinde & Dauch.	10	10¾	10¾	10¾	10¾
6	5½	.	...	Holt Renfrew	....	6	..	..	..
30	30	.	...	Do. pref.	....	30	..	..	..
.60	.15	.	...	Honey Dew	500	.35	.35	.35	.35
8	6	.	...	Do. pref.	....	7	..	..	..
13	9	.	...	H. Smith Pap.	100	9½	9	9	9
95½	84	.	...	Do. pref.	15	90	90½	90	90
32	28	2	6.9	Humberstone S.	40	29	29	28	29
11	6	.	...	Hunts (A)	75	7½	6	6	6
11	7	.	...	Do. (B)	....	7	..	..	..
103	90	6	6.4	Huron & E. Mt.	....	93	..	..	..
17½	15	.	...	Do. 20% pd.	....	15½	..	..	..
3½	3	.	...	Hydro Electric	....	3½	..	..	..
				I					
208½	178	10	5.6	Imperial Bank	62	180	180	179	179
22½	15½	50+37½c	4.4	Imperial Oil.	8928	20	20	19¾	20
13½	12	52½c	3.8	Imperial Tob.	11249	13¾	13¾	13½	13½
17	17	.	...	Inter City Bak.	10	17	17	17	17
42	25	3	...	Inter'c Coal	....	42	..	..	..
100	100	8	8	Do. pref.	....	100	..	..	..
b2½	1½	.	...	Int. Hyd. E. A.	2800	2½	2½	1¾	2
6	3½	.	...	Int. Metal Ind.	....	3½	..	..	..
45	37	.	...	Do. pref.	....	38	..	..	..
114	105	7	6.3	Inter. Mill., pf.	10	110½	110½	110½	110½
103½	102½	6	5.8	Do. Series A.	....	103½	..	..	..
29½	22½	60c	2.2	Inter. Nickel	14631	26½	28	26½	27½
4½	2	.	...	Inter. Paints	....	2½	..	..	..
b3	1½	.	...	Int. Pa. & P. A	200	1½	1½	1½	1½
b1½	¾	.	...	Do. (B)	4200	¾	¾	¾	¾
b1½	¾	.	...	Do. (C)	6100	¾	¾	¾	¾
b12	4½	.	...	Do. pref.	2700	8¾	8¾	7¾	8
39½	28½	1.50+50c	5.6	Inter. Pete.	6756	35¾	35¾	35	35
6	1	.	...	Inter. Power	100	1¾	1¾	1¾	1¾
64	45	1	...	Do. pref.	....	45½	..	..	..
13¾	12½	.	...	Inter. St. Rly. A	....	13¾	..	..	..
2	2	.	...	Do. (B)	....	2	..	..	..
2½	1½	.	...	Int. Util. (A)	....	2	..	..	..
.50	.30	.	...	Do. (B)	350	.35	.30	.30	.30
				J					
22	22	1	4.5	Jam. Pub. Ser.	....	22	..	..	..
120	115	7	5.8	Do. pref.	....	120	..	..	..
				K					
8¾	6½	.	...	Kelvinator	25	7	7	7	7
106	102	7	6.6	Do. pref.	....	105½	..	..	..
				L					
13½	7	.	...	Lake of Woods.	85	7	7	7	7
101	85	.	...	Do. pref.	....	85	..	..	..
75	60	5	8.3	Landed Bank	....	60	..	..	..
4	3½	.	...	Langley's	....	3½	..	..	..
80	60	7	10.8	Do. pref.	....	65	..	..	..
63	60	3	4.9	Laura Secord	65	60½	61	60½	61
3½	2½	.	...	Lindsay, C. W.	70	2½	2½	2½	2½
40½	39	.	...	Do. pref.	....	40	..	..	..
19½	17¾	1	5.2	Loblaw (A)	1145	19	19½	18¾	19½
18½	17	1	5.6	Do. (B)	1250	17¾	18	17½	18
				M					
3½	3½	.	...	MacKin. Steel	....	3½	..	..	..
†95	90	.	...	Do. pref.	....	..	..	..	..
2½	2½	.	...	Manitoba Pr.	....	2½	..	..	..
.80	.50	.	...	M. L. Gard., c.	....	.50	..	..	..
4	3½	.	...	Do. pref.	....	4	..	..	..
1.30	.50	.	...	Maple Leaf	....	1.00	..	..	..
5	1	.	...	Do. pref.	40	1	1	1	1
12	12	60c	...	Maritime Tel.	....	12	..	..	..
15	14½	70c	...	Do. pref.	65	15	14½	14½	14½
20	14	.	...	Marcus Loew's.	....	17	..	..	..
115	108½	7	6.2	Do. pref.	....	112	..	..	..
5¾	3½	.	...	Massey-Harris	1005	3¾	4½	3¾	4
24½	18¾	.	...	Do. pref.	....	21	..	..	..
15¾	12½	80c	63	McColl Fron.	1420	12¾	12¾	12½	12½
100¾	94	6	6.3	Do. pref.	50	96	96	95	95
11½	7	.	...	Melchers (A)	730	9½	9½	9½	9½
4	2½	.	...	Do. (B)	35	2¾	3	3	3
10	8½	.	...	Mercury Mills pf	....	10	..	..	..
27	20	1	...	Mitchell, J. S.	....	25	..	..	..
101	101	7	6.9	Do. pref.	....	101	..	..	..
5½	3½	.	...	Mitchell, Robt.	35	3½	4	4	4
5	5	.	...	Monarch Knit.	....	5	..	..	..
90	71½	1.75	..	Do. pref.	10	88	88	88	88
25	20	.	...	Montreal Cot.	30	20	25	25	25
97	73	7	9.6	Do. pref.	35	76	73½	73	73
‡½	½	.	...	Montreal Exhib.	....	..	..	..	..
‡4	3¾	.	...	Mont. Is. Pr.	....	4	..	..	..
32	26¾	1.50	4.9	Mont. L. & Pr.	4606	30	30¾	30	30½
‡47	38	2.50	..	Montreal Loan	....	43	..	..	..
9	6¾	.	...	Mtl. Ref. & S.P.	5	6¾	9	9	9
2	1½	.	...	Do. Vot. Tr.	5	2	2	2	2
58	54½	3.20	5.5	Montreal Tele.	7	58	58	58	58
99	88	9	9.1	Montreal Trams	141	94	97	94	97
23½	17½	50c	...	Moore Corp.	2127	23	23	22¾	22¾
143	118½	7	5	Do. pref. (A)	22	137½	140	139	139
166	135	7	4.2	Do. pref. (B)	5	160	165	165	165
1.10	.25	.	...	Muirheads	....	.50	..	..	..
6	6	.	...	Do. pref.	....	6	..	..	..
				N					
36¾	31	1.60	4.4	Nat. Breweries.	1750	35	36	35	35¾
40	38	1.75	4.4	Do. pref.	345	40	40	40	40
6½	4½	.	...	Nat. Groceries	410	4½	4¾	4½	4¾
130	121	7	5.4	Do. pref.	10	128	130	130	130
22	16	.	...	N. Sew. Pipe A	....	17	..	..	..
18½	14	.	...	Nat. Steel Car.	75	14	14½	14	14½
204	175	8	4	National Tr.	....	200	..	..	..
20	15	1	...	Niag. W. Weav.	....	19¾	..	..	..
52	45½	3	5.8	Do. pref.	....	50	..	..	..
1.90	.70	.	...	North Star Oil.	....	1.25	..	..	..
4.00	1.50	.	...	Do. pref.	....	3.00	..	..	..
				O					
190	140	8	5.1	Ogilvie Flour	41	160	159	150	158
152	130	7	5	Do. pref.	15	138	140½	140	140
8½	5½	.	...	Ont. Eq. 10% pd	20	7	6½	6½	6½
110½	107½	6	5.4	Ontario Loan	....	110½	..	..	..
13½	8	.	...	Ont. Silknit	25	11	11	11	11
92	75	1.75	...	Do. pref.	50	92	92	89	89
6½	6	.	...	Ont. Steel	....	6	..	..	..
.35	.15	.	...	Orange Crush	75	.30	.30	.30	.30
17	6	.	...	Do. 1st pref.	50	17	17	17	17
.55	.20	.	...	Do. 2nd pref.	....	.45	..	..	..
‡5	5	.	...	Ottawa Car	....	..	..	..	..
85	78	6	7.7	Ott. L. H. & Pr.	....	78	..	..	..
105	100	6.50	6.2	Do. pref.	....	105	..	..	..
22	14	50c	...	Ott. Traction	12	20½	20½	20½	20½
				P					
88	78	3	3.6	Page Hersey	576	83½	83½	82	82
‡30	24	.	...	Paton Mfg.	....	24	..	..	..
97	94	7	7.4	Do. pref.	....	95	..	..	..
63½	50	3	6	Penmans	....	50	..	..	..
115	106½	6	5.4	Do. pref.	....	110	..	..	..
24½	20½	1	4.3	Photo Eng.	15	22¾	23	23	23
91	70	7	8	Porto Rico Pr. p	....	85	..	..	..
10½	6½	.	...	Power Corp.	322	8½	8½	7	7
94	80	6	7.3	Do. pref.	....	82½	..	..	..
1.25	.80	.	...	Prairie C. Oil	1550	.80	1.25	1.00	1.25
15	8	2%a	..	Pressed Metals.	81	8½	9½	9	9
3¾	1½	.	...	Price Bros.	525	1¾	2	1¾	1¾
33¾	15½	.	...	Do. pref.	115	16	16	16	16
				Q					
17½	14	1	6.9	Quebec Power	126	14½	15	14	14½
				R					
58	40	2	5	Real Estate L'n.	....	40	..	..	..
7	4½	.	...	Regent Knit.	125	5	5	5	5
3½	3½	.	...	Reliance Grain.	....	3½	..	..	..
30	27	1	3.4	River. S. Mills.	115	29	29	29	29
9	5¾	.	...	Rogers Majest.	420	6½	6¾	6¾	6¾
92	83	6	6.9	Rolland P. pf.	20	84	89	87	87
173½	147½	8	5.4	Royal Bank	108	150	151	147½	148
30	20	.	...	Russell Motor	....	28	..	..	..
95½	70	6	6.3	Do. pref.	10	95½	95	95	95
				S					
3	2	.	...	Sarnia Br. (A).	....	3	..	..	..
‡1¾	1½	.	...	Do. (B)	....	..	..	..	..
20	14½	50c	3.2	Shawinigan	1736	16½	16½	15½	15¾
17	11½	.	...	Sher. Wms.	30	12¾	12¾	12½	12½
110	100	1¾▲	...	Do. pref.	50	107	106	104½	106
14	9¾	.	...	Simon & Son	30	12	13	13	13
109½	90	.	...	Do. pref.	....	90	..	..	..
90	62	3	...	Simpson, Ltd.	13	69	74	70	74
12	9	.	...	Do. (A)	....	9	..	..	..
6½	5	.	...	Do. (B)	6	5	5	5	5
109	103	6	5.6	Simpson, R., p.	255	106	107¾	107¾	107¾
14½	9½	80c	7.2	So. Can. Pr.	170	11	11½	11	11½
100	82	6	7	Do. pref.	....	85	..	..	..
1.90	.95	.	...	St. Law. Corp.	150	1.00	.95	.95	.95
8¾	3	.	...	Do. (A)	100	5	4	4	4
39½	33	2	5.6	St. Law. Flour.	45	35	36	36	36
125	113	7	6.2	Do. pref.	....	113	..	..	..
16½	8½	.	...	St. Law. Pap. p	170	9	9½	8½	9
7	4	.	...	Stand. Chem.	50	6½	4½	4½	4½
1.75	.75	.	...	St. Pav. & Mat.	75	.75	.75	.75	.75
15	9	.	...	Do. pref.	30	10	9	9	9
25	20	.	...	Stand. Steel, pf.	45	23	25	25	25
49¾	42½	1.75	3.5	Steel of Can.	1830	49	49¾	49	49¾
46½	41	1.75	3.8	Do. pref.	255	45½	45½	45	45½
4	3	.	...	Sterling Coal	....	3	..	..	..
4¾	4¾	.	...	Stop & Shop	....	4¾	..	..	..
3	2½	.	...	Supersilk, H.	....	2½	..	..	..
70	58½	3.50	5.4	Do. pref.	....	65	..	..	..
29	21½	1	3.6	Sup. Pete. ord.	672	27	28	25	28
27	23	1	4	Do. com.	....	25	..	..	..
115	111	7	6.1	Do. pref.	....	115	..	..	..
				T					
30	23	.	...	Tamblyn	....	30	..	..	..
114	110	7	6.2	Do. pref.	3	112	112	112	112
6	3	.	...	Thayers	....	3½	..	..	..
41	35	3.50	10	Do. pref.	....	35	..	..	..
1.80	1.00	.	...	Thrift Stores	....	1.25	..	..	..
13	6½	.	...	Do. pref.	....	6½	..	..	..
12¾	7½	.	...	Tip Top Tailors	15	8	8½	8½	8½
98½	90	7	7.3	Do. pref.	10	95	95¾	95¾	95½
†22	10	.	...	Tooke Bros.	....	..	..	..	..
15	15	.	...	Do. pref.	....	15	..	..	..
42	33	1	2.8	Tor. Elevators	50	34½	36	36	36
129½	108	7	6.1	Do. pref.	30	115	115	112	112
125	98½	6	6	Tor. Gen. Tr.	....	100	..	..	..
121	110	6	5.1	Toronto Mtge.	....	117	..	..	..
.15	.10	.	...	Traymore	....	.10	..	..	..
.90	.50	.	...	Do. pref.	....	.50	..	..	..
141¾	133½	7	5	Tuckett Tob. p.	....	140	..	..	..
4½	2	.	...	Twin City	90	2½	3	3	3
b27¾	18	.	...	Do. pref.	....	23	..	..	..
				U					
5¾	3½	.	...	Union Gas	100	4½	4½	4¾	4½
1.40	.50	.	...	United Distill.	1750	.50	.85	.55	.80
‡3	3	.	...	United Fuel	....	..	..	..	..
29	15½	.	...	Do. pref.	160	17½	19	18	19
9	9	.	...	Un. Amuse. A.	....	9	..	..	..
‡7½	7½	.	...	Do. (B)	....	..	..	..	..
30	24	2	8	United Secs.	25	30	25	25	25
3	2	.	...	United Steel	400	2½	2¾	2½	2½

Dominion and Provincial Bonds

July 17, 1935

(Furnished by Toronto Bond Traders' Association)

Dominion of Canada Bonds

			Bid —July 17—	Asked —July 17—	Approx. Yield	Bid July 10
Dominion	3½	15 Oct. 1935	100.40	100.70	.62	100.35
Dominion	4	15 Oct. 1935	100.50	100.80	.70	100.50
Dominion	2	15 Oct. 1936	100.25	100.65	1.46	100.10
Dominion	5	15 Nov. 1936	104.15	104.45	1.62	104.10
‡†Dominion	5	1 Mar. 1937	106.20	106.60	.93	106.25
‡Dominion	5½	1 Dec. 1937	109.45	109.75	1.35	109.45
Dominion	2½	15 Oct. 1939	101.25	101.75	2.07	101.10
Dominion	4	15 Oct. 1939	107.35	107.85	2.06	107.15
Dominion	4½	1 Sept. 1940	110.00	110.50	2.32	109.65
Dominion	5	15 Nov. 1941	112.15	112.65	2.31	111.75
Dominion	3	15 Oct. 1942	102.75	103.25	2.51	102.25
Dominion	2½	1 June 1943	99.50	100.00	2.50	98.85
Dominion	5	15 Oct. 1943	113.35	113.85	3.09	112.75
Dominion	4½	15 Oct. 1944	110.15	110.65	3.16	110.00
Dominion	4	15 Oct. '43-45	106.15	106.65	3.09▲	105.75
Dominion	4½	1 Feb. 1946	110.25	110.75	3.32	110.00
Dominion	3½	15 Oct. '44-49	102.40	102.90	3.13▲	102.15
Dominion	4	15 Oct. '47-52	106.15	106.65	3.32▲	105.65
Dominion	3	1 June '50-55	98.85	99.35	3.04	98.35
Dominion	4½	1 Nov. '46-56	108.65	109.15	3.50▲	108.25
Dominion	4½	1 Nov. '47-57	108.65	109.15	3.57▲	108.25
Dominion	4½	1 Nov. '48-58	109.00	109.50	3.59▲	109.00
Dominion	4½	1 Nov. '49-59	109.15	109.65	3.63▲	109.05

Dominion Guaranteed Bonds

			Bid	Asked	Approx. Yield	Bid July 10
*G. T. P. Rly.	3	1 Jan. 1962	98.75	99.25	3.04	99.00
Can. N. Ry.	3	1 May 1944	100.15	100.65	2.92	99.85
Can. N. Ry.	3	15 Dec. '45-50	99.00	99.50	3.04	98.75
*Can. N. Ry.	4½	1 Sept. 1951	111.50	112.00	3.53	111.50
†Can. N. Ry.	4½	15 Sept. 1954	102.65	103.15	4.26●	102.50
*Can. N. Ry.	4½	1 Feb. 1956	112.15	112.65	3.63	112.15
†Can. N. Ry.	4½	1 July 1957	110.35	110.85	3.76	110.00
*Can. N. Ry.	4¾	15 June 1955	114.50	115.00	3.68	114.35
Can. N. Ry.	5	1 Feb. 1954	114.85	115.35	3.85	114.75
*Can. N. Ry.	5	1 July 1969	114.50	115.00	3.52▲	114.35
*Can. N. Ry.	5	1 Oct. 1969	117.00	117.50	3.69▲	117.00
*M. Harb. C.	5	1 Nov. 1969	117.00	117.75	3.67▲	117.00

Provincial Government Bonds

			Bid	Asked	Approx. Yield	Bid July 10
Eastern—						
†N. Bruns.	4½	15 Apr. 1961	107.75	108.75	3.96	107.50
†N. Bruns.	5	15 Jan. 1960	114.25	115.25	4.01	114.00
N. Bruns.	5½	15 May 1950	114.00	115.00	4.15	113.00
N. Scotia	4½	15 May 1943	107.00	108.00	3.34	107.00
†N. Scotia	4½	15 Sept. '47-52	108.50	109.50	3.55▲	108.00
N. Scotia	4½	15 May 1961	109.25	110.25	3.87	109.00
†N. Scotia	5	1 Mar. 1960	115.50	116.50	3.96	115.00
*Ontario	4	1 June 1962	104.75	105.50	3.68	104.50
*Ontario	4½	1 Sept. 1944	110.00	110.75	3.14	110.00
Ontario	4½	1 June 1950	108.00	108.50	3.75	107.75
*Ontario	4½	15 Jan. 1962	108.75	109.75	3.91	108.75
Ontario	5	15 Oct. 1948	111.25	112.00	3.83	111.00
*Ontario	5	2 Dec. 1960	116.25	117.00	3.94	116.00
Ontario	5	1 July 1946	114.00	114.75	3.84	113.50
O. H. C.	3½-4-5	1 Oct. '33-52	99.75	100.50	2.78▲	99.25
*Ont. Hyd. C.	4	1 Aug. 1957	103.75	104.50	3.70	103.00
Ont. Hyd. C.	4¾	1 Jan. 1970	109.00	110.50	4.17	109.00
Quebec	4	15 Mar. 1952	106.50	107.50	3.41	106.00
Quebec	4¼	1 Aug. 1958	110.25	111.25	3.53	110.25
Quebec	4½	2 Jan. 1963	112.50	113.50	3.71	112.50
Western—						
†Alberta	4	1 Dec. 1957	93.00	94.00	4.42	92.00
†Alberta	4½	1 Oct. 1956	95.00	97.00	4.72	94.50
†Alberta	5	1 Jan. 1948	101.00	102.00	4.79	100.00
Alberta	5	1 Sept. 1955	99.75	100.50	4.96	99.25
*Alberta	5	1 Oct. 1959	101.00	102.00	4.85	100.25
†Alberta	5½	1 Jan. 1947	103.00	104.00	5.04	102.25
Alberta	6	1 Mar. 1947	104.50	105.50	5.37	103.50
†Brit. Col.	4	1 Dec. 1957	93.00	94.00	4.42	92.00
*Brit. Col.	4½	15 Jan. 1951	98.00	99.00	4.59	97.00
†Brit. Col.	4½	1 Oct. 1953	96.00	97.00	4.75	95.00
†Brit. Col.	5	15 Jan. 1948	101.00	102.00	4.78	99.50
Brit. Col.	5	1 Sept. 1953	100.50	101.50	4.87	99.50
Brit. Col.	5½	1 Feb. 1945	102.25	103.25	5.08	102.25
Brit. Col.	6	15 Feb. 1947	104.00	105.00	5.42	103.50
†Manitoba	4	1 Dec. 1957	98.50	99.50	4.03	98.00
†Manitoba	4½	15 Dec. 1956	103.00	104.00	4.22	102.25
†Manitoba	5	15 June 1954	107.00	108.00	4.37	106.50
*Manitoba	5	2 Dec. 1959	108.00	109.00	4.39	107.50
Manitoba	5½	1 Oct. 1955	108.00	109.00	4.80	107.50
Manitoba	6	1 Apr. 1947	109.50	110.50	4.82	108.50
Sask.	4	15 Aug. 1953	89.50	91.00	4.75	89.25
*Sask.	4½	2 July 1945	98.50	99.50	4.56	98.25
†Sask.	4½	1 Oct. 1951	97.25	98.25	4.65	95.75
Sask.	5	1 Aug. 1958	101.00	102.00	4.85	100.50
†Sask.	5½	15 Nov. 1946	104.00	105.00	4.91	103.25
Sask.	6	15 Mar. 1952	108.00	109.00	5.20	107.25

Municipal Bonds

			Bid	Asked	Approx. Yield	Bid July 10
†Calgary	5½	2 June 1944	90.00	93.00	6.55	87.00
†Edmonton	5½	1 Nov. 1945	90.00	93.00	6.45	89.00
†Halifax	5	1 July 1961	113.25	114.75	4.07	113.25
Hamilton	5	1 May 1950	101.00	104.00	4.62	101.00
Montreal	5	1 Mar. 1945	104.00	106.00	4.23	103.00
Ottawa	4½	1 July 1945	106.00	109.00	3.43	106.00
†Quebec	5	1 June 1959	107.00	108.00	4.45	106.75
Regina	5	1 July 1944	80.00	85.00	7.30	79.00
St. John	5	15 Dec. 1950	108.00	109.00	4.20	107.25
†Toronto	4½	1 Jan. 1955	108.50	110.50	3.75	108.50
Vancouver	5	1 June 1969	82.00	85.00	6.04	82.00
Victoria	5	21 July 1945	85.00	90.00	6.34	85.00
Winnipeg	5	1 Mar. 1944	102.50	104.50	4.36	102.00

*Payable Can., N. Y. & £. ▲Calculated to call date giving lowest possible yield. †Payable Can. & N. Y. ●Calculated to maturity, although callable prior to that date. ‡Exempt from Dominion income tax.

Unlisted Mining Stocks

July 16, 1935

	Bid	Asked
Ascot	.27	.29
Arntfield Gold	.78	.82
Arntfield Synd.	.95	1.05
Adanac	.06	.07½
Ardeen	..	.05½
Athona	.64	.67
Bailor	.01	.02
Bidgood Kirk.	.04½	.06
Bankfield Gold	.29	.31
Bathurst	.01½	.02½
Bosquet Gold	.10	.11
Can. Pandora	.03	.04½
Can. Radium	.30	.32
Casey Summit	.04	.06
Canusa Mining	.05	.07
Casey Contact	.08	.09
Central Porc.	.21	.24
Cons. Chib. Free.	.70	.80
Cons. Chib. Pool.	.56	.62
Columario	.01	.02
Chromium M. & S.	.44	.48
Cuniptua	.06½	.07½
DeSantis	..	.20
Dorval Siscoe	..	4.00
Dunlop Cons.	.00½	.00½
El Bonanza	.14	.16
Forty-Four Gold	..	8.00
Garnet L. Lac	.00¾	.01½
Glenora Gold	..	.08½
Galatea	..	.05
Goldside	.06	.08
Gold Eagle	.30	.34
Gr. Bear Lake M.	.66	.70
Greenlaw	.05½	.06½
Hardrock Un.	48.00	..
Hardrock	.41	.45
Hislop Gold	.06	.08
Horseshoe	.02	.03
Hudson Patricia	.18	.20
Jellicoe	.03	.05
Johnson Nip.	.01	.02
Kowkash	..	.05
Kirk. Gold Belt	.07	.09
Lafayette L. Lac.	.06½	.07½
La Palme	.22	.23
Long Lac Lagoon	.03½	.05
Lamaque Gold	2.20	2.30
MacFarlane	..	.03½
MacL. Cockshutt.	.04	.05
Magnet Lake	.03	.04½
Matachewan Can.	.07½	.09
McCarthy Webb.	.07½	.08½
Morrison Mines	..	.12
Mosher	.01½	.02½
Marbuan	..	.45
Murwood	..	.12
N.A.M.E. Un.	15.00	16.00
North Shores	.03	.04
Oklend	.26	.28
O'Leary	.08	.09
Pamour Porc.	1.90	2.00
Rice Lake	.02	.03
Sakoose	.03	.05
Shawkey	.39	.42
Silverado Gow.	.30	.33
Smelter Gold	.06½	.08
Smith Cobalt	.15	.16
Straw L. Beach	.14	.16
Sturgeon R. Gold	.79	.82
Sun Bear	.19	.21
Thom.-Cadillac	.03½	.04½
Wells L. Lac	.05½	.08
Wingold	.06	.07½
Wendigo	.14	.17
Young David	.14	.16

Source of quotations on application. Not guaranteed.

Winnipeg Stock Exchange

(Transactions from July 6 to July 10)

Div. rate in $	Yield in %		Sales	High for period	Low for period	Close July 10
..	..	Canadian Rand	100	.05½	.05½	.05½
..	...	Forty-Four	60	9.00	9.00	9.00
..	..	Gold Lake	100	.26	.26	.26
..	..	Home Investment	14	25.50	25.50	25.50
..	..	Knee Lake	2,200	.35½	.34	.35½
..	..	Oro Grande	1,500	.05	.05	.05
..	..	Wingold	3,200	.09½	.09	.09
1	6.7	United Grain	74	15.00	14.50	15.00
..	..	West. Breweries	120	2.00	2.00	2.00
..	..	Manson Man.	1,000	.08	.08	.08

Stocks Not Traded in During Week*

	Bid	Ask
Beaver Fire	..	100
Beaver Lumber, c.	..	3
Do., pref.	69	..
City Dairy A	..	10
Federal Grain	..	1
Do., pfd.	25	..
Monarch L. 10% pd.	..	19
Northern Trust	..	9½
Rel. Grain, pfd.	..	74
West. Grain, pfd.	8	..
Can. Amer. Trust	2.75	3.25
Can. Inv. Fund	..	3.70
Fundamental A	4.75	5.25
Series B	4.40	..
Grouped Inc.	..	4.65

*Stocks more active on other exchanges not included.

Listed Bond Quotations

Week Ending July 15, 1935

	Int. Rate	Due	Yield	Latest Bid	High	Low	Range 1935 High	Low
Mtl. L. H. & P. Debs	3	1939	3.43	48½	48½	48½	49½	46
McNish	6	1948	..	..	3.25	3.20	4.00	3.20
Mtl. Trams A	5	1955	6.74	80	81	..	81	75

Montreal, Toronto and Curb Markets (Cont'd)

Range 1935 High	Low	Divd. Rate in $	Y'ld in % July 13		Sales	Close July 8 (last)	High	Low	Close
				V					
2.00	1.45	.	...	Viau Biscuit	....	1.75	..	..	..
20½	12	.	...	Do. pref.	....	20½	..	..	..
				W					
27	17	.	...	Wabasso Cot.	160	18½	18	17	17½
33	23	.	...	Walker-Good.	25432	26¾	31½	27¾	31½
18½	16	1	5.7	Do. pref.	967	18	18	17½	18
4.25	2.87	.	...	Walkerville Br.	385	3.25	3.20	3.00	3.15
2¾	1	.	...	Waterloo Mfg.	50	1½	1½	1	1
6¾	2¾	.	...	West. C. Flour.	....	3	..	..	..
52	20	.	...	Do. pref.	33	24	24	24	24
36	32	50c	...	West. Grocers	....	36	..	..	..
100	85	7	7.1	Do. pref.	....	99	..	..	..
120	120	7	5.8	W. Koot. Pr. pf.	....	120	..	..	..
46½	27	1	3.3	Weston Ltd.	175	31½	31½	30½	30½
113	108	7	6.2	Do. pref.	10	110	112	112	112
3¾	1½	.	...	Whittall Can.	230	2½	4	3	4
82¾	75	6.50	7.8	Do. pref.	....	82¾	..	..	..
3	2	.	...	Windsor Hotel	....	2	..	..	..
8	6	.	...	Do. pref.	....	8	..	..	..
2.25	.90	.	...	Winnipeg Elec.	120	1.00	1.25	1.05	1.05
10	4	.	...	Do. pref.	37	7	8	7	7½
30	30	.	...	Wood, A.&J. p.	....	30	..	..	..
70	60	.	...	Woods Mfg. pf.	....	60	..	..	..
				Z					
5½	4	.	...	Zimmerknit, c.	....	4	..	..	..
85	65	7	10.8	Do. pref.	....	65	..	..	..

‡ Quotations for 1934. No sales recorded in 1935 to date.
§ Quotations for 1933.
† Quotations for 1931. b New York Quotations.
a Stock dividend. ▲ On account of arrears.

Active Corporation Bonds

(Furnished by Toronto Bond Traders' Association)

July 16, 1935

Public Utility Issues:	Int. Rate	Due	Bid July 16	Asked July 16	Bid July 9
‡Avalon Telephone	5½%	1946	99	...	99
Beauharnois L. H. & Pwr.	5½%	1973	92½	95	89½
Beauharnois Power Corp.	5½%	1973	37	39	34
*Bell Telephone	5%	1955	112½	115	113
*Bell Telephone	5%	1957	116	118	115½
†B. C. Power	5%	1960	97	100	96½
†B. C. Power	5½%	1960	100½	103½	99½
†B. C. Telephone	5%	1960	105½	108	104½
†Calgary Power	5%	1960	99	102	97½
Calgary Power	5%	1964	97	100	96
†Canada Northern Power	5%	1953	101	103½	102
†Cedars Rapids Mfg. & Pwr.	5%	1953	111	113½	110½
Dominion Gas & Electric	6½%	1945	76½	79½	76½
‡Duke-Price Power	6%	1966	105	107	103½
*Gatineau Power	5%	1956	87½	90	88
*Gatineau Power	6%A	1941	72½	75	72½
*Gatineau Power	6%B	1941	72	74½	71½
*Internat'l. Hydro-Electric	6%	1944	40½	43½	47
†Maclaren-Quebec Power	5½%	1961	69	72	69
Maclaren-Quebec Power	5½%	1964	68	71	68
*Manitoba Power	5½%	1951	50½	53½	52½
†Montreal Island Power	5½%	1957	103	105½	102½
†Montreal L. H. & Pwr.	5%	1951	106	108	106
†Montreal L. H. & Pwr.	5%	1970	107	108½	107
†Montreal Public Service	5%	1942	105½	...	105½
†Montreal Tramways	5%	1955	80½	83½	80
†Montreal Tramways	4½%	1955	76	79	75
†Montreal Tramways	5%	1941	100	103	99½
National Light & Power	6%	1949	90½	...	89½
†N. S. Light & Power	5%	1958	101½	104½	101½
†Ottawa Lt., Heat & Pwr.	5%	1957	104	106½	104
†Ottawa Valley Power	5½%	1970	92	94½	91½
†Power Corp.	4½%	1950	83	86	83
†Provincial Light & Pwr.	5%	1946	105	...	105
*Quebec Power	5%	1968	104	106½	104½
†Shawinigan Water & Pwr.	4½%	1970	98	100½	97
†Shawinigan Water & Pwr.	5%	1970	104½	107	102½
†Southern Canada Power	5%	1955	103½	106	103
†United Securities	5½%	1952	79	82	79
†West Kootenay Power	5%	1956	105	107½	105½
†Western Power Co.	5%	1949	104½	107	104½
*Winnipeg Electric	5%	1935	98	101	98
*Winnipeg Electric	6%	1954	50½	53½	52½
Industrial and Realty Issues:					
Abitibi Pwr. & Paper	5%	1953	27	30	27½
†Acadia Sugar	6%	1946	103	105½	103
†Alberta Pacific Grain	6%	1946	86½	89½	86
‡Asbestos Corp.	5%	1942	71½	74½	70½
Brandram-Henderson	6%	1936	98	...	98
British American Oil	5%	1945	105½	108	105
British American Oil	4%	1945	99	102	99
Burns & Co.	5½%	1948	46	40	46½
Canada Bread	6%	1941	104	107	104
†Canada Cement	5½%	1947	103	105½	103
†Canada Paper	6%	1945	100	...	100
‡Canada Steamship	5%	1943	99	...	99
Canada Steamship	6%	1941	42½	45	39½
†Canadian Canners	6%	1950	105	107	105
Canadian Cons. Felt	6%	1940	100	...	100
†Canadian Copper Refiners	6%	1945	■105½	...	105½
Can. Goodrich	7%	1943	99½	...	100
*Canadian Internat'l. Paper	6%	1949	65	68	65½
C. P. R.	6%	1942	108	110	108
C. P. R.	4½%	1944	97	100	96
*C. P. R.	5%	1954	105½	108½	105½
C.P.R.	4%	1949	95	97	95
▲C. P. R. Perp. Debs.	4%	....	87	90	87½
Can. Rail & H. Term.	6½%	1951	26	28½	23
†Canadian Vickers	6%	1947	72	74	71½
Consolidated Paper	5½%	1961	13½	16	12½
Debenture & Security	4%	1936	90	...	90
†Dominion Canners	6%	1940	109	...	109
†Dominion Tar	6%	1949	98	101	97½
Dom. Wool. & W. (with stock)	6%	1948	14	17	14
†Eastern Dairies	6%	1949	85½	88½	85½
Eaton T. Realty	5%	1949	101	103½	101½
†Famous Players	6%	1948	102	105	101½
†Famous Players	6½%	1948	93	96	92½
†Federal Grain	6%	1949	91	93½	91
†General Steel Wares	6%	1952	91½	94	91½
Great Lakes Paper	6%	1950	36	38½	33
†Gypsum, Lime & Alabast.	5½%	1948	84	87	82½
Hamilton Cottons	5½%	1948	101	103½	101
*Hamilton By-Prod. Coke	7%	1943	102½	105	101½
*Hinde & Dauch	5½%	1946	101½	104½	101½
†Internat'l. P. & P., Nfld.	5%	1968	99½	102½	99½
Kingston Elevator Co.	6%	1950	83	86	83
Lake St. John Pwr. & Pap.	6½%	1947	55½	58½	56
†London Can. Invest.	4½%	1948	77½	80½	75½
London Realty	6%	1950	88	...	88
†Massey-Harris	5%	1947	80	83	80
McColl-Frontenac	6%	1949	104½	107	104½
Metropolitan Building	7%	1944	101	...	101
Minn. & Ont. Paper	6%	1945	14½	17½	13
*Montreal Coke	5½%	1947	103½	106½	103½
‡Montreal Cottons	5%	1947	99½	...	99½
National Grocers	6%	1948	105	107½	105½
Northern Ont. Bldg.	6½%	1939	95½	98½	96
†Penmans	5½%	1951	109½	...	109½
*Provincial Paper	5½%	1947	100½	103½	100½
Queen's Hotel	6%	1947	81½	...	81½
*Reliance Grain	6%	1948	98½	101	98
Richmond Bay Bldg.	6½%	1947	93½	96½	93½
‡Riordon Pulp & Paper	6%	1942	104	...	104
†Rolland Paper	5½%	1948	102½	105½	102½
Ruddy & Co., E. L.	6½%	1948	87½	90½	87
St. Lawrence Flour	6%	1941	103	...	103
†Simpsons Ltd.	6%	1949	102½	105	101½
†Smith, Howard	5½%	1953	103	106	103
‡Steel Co. of Canada	6%	1940	111	114	111
Toronto Carpet	6%	1944	102	...	102
United Amusement	6%	1942	96	99	95
United Grain Growers	5%	1948	91	94	89
United Grain Growers	5½%	1949	94	97	93½
‡Wabasso Cotton	6%	1947	102	...	102
Wabasso Cotton	7%	1942	104½	...	104½
Western Grain	6%	1949	...	...	66½
Woods Mfg.	6%	1943	100½	...	100½
Zimmerknit Mfg. Co.	6%	1951	98	101	98

§Payable in U. S. only. *Payable in Can. or U. S. ‡Payable in Canada or U. K. †Payable in Can., U. S., or U. K. ▲Payable in N. Y. ■Called Aug. 15.

Unlisted Canadian Stocks

(Furnished by A. J. Pattison Jr. & Co., Toronto)

July 16, 1935

Industrial Stocks:	Bid	Asked
Acadia Sugar c.	2.75	....
Do., pfd.	4.75	5.10
Acme F. Dairy pfd.	....	40.00
Allens Beach pfd.	54.50	....
Allens Tor. pfd. bonus c.	25.00	28.00
Alumin.	25.00	30.00
Andian National	47.00	48.50
Atlantic Sugar pf.	105.00	107.00
B.C. Pulp pfd.	10.00	13.00
Burns "A"	2.25	3.50
Burns "B"	1.25	....
Can. Paper pfd.	61.00	....
Can. Starch c.	12.50	....
Do., pref.	84.00	....
Can. Wire & C. pf.	55.00	58.00
Can. Indust. A	187.00	....
Can. Indust. B	189.00	193.00
Can. Indust. pfd.	158.00	162.00
Can. Paperboard pfd. bonus	4.00	6.00
Can. Tube 1st pf.	27.00	....
Can. Westing.	46.50	48.00
Chase, pfd. bonus	24.00	26.00
Claude N. Adv. Un.	2.50	3.50
Copeland Fl. Un.	4.00	6.00
Corr. P. Box pfd.	86.50	90.00
Dom. F. & St. c. (New)	17.00	....
Dom. F. & St. pf.	115.00	125.00
Dom. Woollens c.	.60	1.10
Dunlop Tire pfd.	67.00	....
East. Dairies pfd.	12.50	15.00
Edm. C. Dairy pf.	46.00	....
Fed. Grain c.	.75	1.75
Fed. Grain pfd.	27.00	29.00
Gen. St. Wares pf.	42.50	45.00
Goderich Elev.	4.50	5.25
Green. Wire pfd.	100.00	103.00
Guelph Carpet pf.	96.00	98.50
Do., c.	13.50	15.50
Hayes Wheels pfd.	....	9.50
Highl. Dairy c.	3.30	4.00
Highl. Dairy pfd.	79.00	....
Huether Brew. pf.	3.00	....
Inter C. Bak. c.	17.00	19.50
Inter. Met. A pfd.	35.00	41.00
Inter. Paints pfd.	19.00	21.00
Loew's Lond. pfd.	2.00	3.00
Mansf. Theat. pfd.	24.00	26.00
Massey Harris pf.	20.00	21.00
Mercury Mills pf.	6.00	10.00
Morrow Screw pf.	95.00	....
New Method Laund. pfd. bonus	60.50	....
Niag. W. Weav. pf.	50.00	56.00
Para. Oshawa pfd.	54.00	....
Perf. Pet. pfd.	15.00	19.50
Prov. Paper pfd.	95.00	98.00
Rel. Grain pfd.	64.00	68.50
Rob. Cons. Conc.	8.00	8.75
Ruddy, pfd.	23.50	....
Std. Fuel pfd. bonus	101.00	103.50
Super. Pet. B pf.	25.50	27.50
Tor. Carpet pfd.	30.00	....
Un. Amuse. B	10.00	12.00
Un. Amuse. A	11.00	13.00
Un. Steel A pfd.	3.00	4.00
West. Gr. pfd. bonus	9.50	11.00
Insurance Stocks:		
British America	36.00	....
Canada Life	446.00	456.00
Can. Fire	72.50	80.00
Can. Ins. Sh. c.	10.50	12.50
Conf. L. 20% pd.	123.00	126.00
Cont. L. 20% pd.	35.00	40.00
Crown Life	105.00	....
Dominion Fire	105.00	....
Dom. L. 50% pd.	255.00	300.00
Dom. of Can. Gen.	....	92.00
Empire L. 25% pd.	3.00	5.00
Excel. L. 30% pd.	....	....
Fed. Fire 25% pd.	35.50	39.00
Fidelity of Can.	....	49.00
Gt. West Life	395.00	405.00
Guar. Co. of N.A.	240.00	....
Imperial Life	304.00	....
Mfrs. Life	240.00	245.00
Monarch L. 10% pd.	17.00	19.00
Nat. Life 25% pd.	52.50	56.00
Sover. L. 25% pd.	15.00	18.00
Sun Life	395.00	415.00
Tor. General	4.25	5.00
West. Assur. c.	35.00	39.00
West. Assur. pfd.	39.00	41.00
West. Emp. L. 20% pd.	....	8.50
Trust & Loan Stocks:		
Chartered Trust	73.00	77.00
London & W. Tr.	32.50	36.00
Premier Trust	87.00	92.00
Sterling Trust	30.00	35.00
Trad. Fin. B	62.50	....
Trad. Fin. c.	.70	....
Trusts & Guar.	34.00	36.50
Victoria Trust	120.00	126.00
Waterloo Trust	98.00	....
Sherbrooke Tr.	110.00	....
Investment Trust Shares:		
Can. Gen. Invest.	6.20	6.40
Can. Investors Corp. (Div. 40c)	5.55	6.25
Can. Int. Inv. Tr. Un.	26.00	28.50
Can. Inv. Fd.	3.25	3.70
Cons. Div. Std. Sec. Un.	10.50	12.25
Deb. & Sec. pfd.	23.00	26.00
Dom. & Ang. Inv. Un.	190.00	....
Dom. Scott. Inv. Un.	22.50	25.00
For. Pwr. Sec. pf.	....	10.50
Invest. Found. Un.	33.50	41.00
Sec. Holding Un.	11.00	....
United Corpns. A	14.50	15.50
United Corpns. B.	3.85	4.50
Power Issues:		
Can. W. N. G. pfd.	96.00	98.00
Do., c.	20.00	24.00
Gt. Lakes Pwr. pf.	62.00	64.00
N.B. Tel. c.	10.50	11.25
N.S. L & P c.	47.00	50.00
N.S. L & P pfd.	95.50	97.00

Recent London Quotations:

Brit. Col. Tele., pfd.	$105
Brew. & Distillers	3s.
Canada Company	7s. 6d.
Can. & For. Secs.	4s.
Can. Collier. $1 com.	11d.
Do., pref. $10	4½d.
Can. N. W. Land	15s.
Can. West. Lumber	1s.
Hudson's Bay	18s. 3d.
Do., pref.	91s. 3d.
Imp. Tob. (Canada) 6% pfd.	27s. 6d.
Third Can. Gen. Inv.	6s. 6d.

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page and in its mining quotations elsewhere in this issue, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotation giving an idea of approximate price is better than none at all.

Classified Advertisements

Classified ads cost 4c. per word and figure for each insertion. Minimum ad, $1.75. Add five words when box number is required. Classified ads payable in advance.

Business Wanted

FIRM WITH LONG AND SUCCESSFUL manufacturing and selling experience is in a position to add a new line capable of national and export development. Will invest in or buy outright; preferably in old established business of high repute where owners are thinking of retiring. Address in confidence. Box 222, The Financial Post.

Position Vacant

EXPERIENCED REPORTER or financial writer wanted for responsible work on important weekly paper. Position will not open up for a few weeks, but in meantime we wish to correspond with any ambitious candidate for the work. Must be high grade man, intelligent and studious, capable of getting to the story behind the story. Preferably college man not over 40, and must have had varied experience in Canadian journalism. Box 140, The Financial Post, Toronto, Can.

DIVIDEND NOTICES

The Bank of Toronto

Dividend No. 216

Notice is hereby given that a **Dividend of Two and One-Half** per cent upon the paid-up Capital Stock of this Bank has been declared for the current quarter, and the same will be payable at the Bank and its Branches on and after the third day of September next, to shareholders of record on August fifteenth, 1935.

By Order of the Board.
H. B. HENWOOD,
General Manager.

Toronto, July 10th, 1935.

SIMPSONS, LIMITED

Preference Dividend No. 15

Notice is hereby given that a Dividend of One Dollar per share on the outstanding paid up six and one-half per cent Cumulative Preference Shares of the Company has been declared payable on August 1, 1935, to shareholders of record at the close of business on the twenty-third day of July, 1935. The transfer books will not be closed.

FRANK HAY,
Secretary.

Toronto, July 15, 1935.

The Eastern Car Company, Limited

BONDS

NOTICE IS HEREBY GIVEN that The Eastern Trust Company under the provisions of the Mortgage dated the first day of July, Nineteen Hundred and Twelve (1912) to secure the bonds of The Eastern Car Company, Limited, will receive offers up to noon on Saturday, the twenty-seventh day of July, 1935, from persons willing to sell the whole or any part of the bonds of the said The Eastern Car Company, Limited, purchasable by a Sinking Fund payment of Thirty-five Thousand Six Hundred and Twenty Dollars ($35,620.00).

Parties offering must state the par value of bonds tendered and price delivered at Halifax.

The Trustee reserves the right to reject any and all offers in whole or in part. Bonds accepted are to be delivered on or before August 7th, 1935, and interest on accepted bonds will cease on that date.

THE EASTERN TRUST COMPANY,
Trustee.

184 Hollis Street, Halifax, N.S.,
5th July, 1935.

Model Oils Ltd.

NOTICE TO SHAREHOLDERS

The Annual General Meeting of the Shareholders of MODEL OILS LIMITED will be held at the Palliser Hotel, in the City of Calgary, in the Province of Alberta, on Monday, the 29th day of July, A.D. 1935, at the hour of 10 o'clock in the forenoon, for the purpose of receiving and considering the following:

(a) Receiving and considering Annual Statement of Accounts, Balance Sheet and Report of Auditor.
(b) Report of the Directors.
(c) Election of Directors.
(d) Appointment of Auditor.
(e) Any other business that may properly be considered at the meeting.

The books of the Company will be closed for transfer purposes from July 26th, 1935, to July 29th, both days inclusive.

DATED at Calgary, this 10th day of July, A.D. 1935.

By order of the Board of Directors,
T. W. McKEE,
Secretary-Treasurer.

Dominion Bridge Company, Limited

DIVIDEND NOTICE

A Dividend of THIRTY CENTS (30c) per Share has been declared on the No Par Value Shares of this Company for the Quarter ending 31st July, 1935, payable 15th August, 1935, to Shareholders of record at the close of business on the 31st July, 1935.

By Order of the Board.
F. W. EVENS,
Secretary.

Montreal, Que., 16th July, 1935.

Quebec Power Company

Notice is hereby given that a dividend of Twenty-five Cents (25c) per share has been declared on the no par value common shares of the Company for the quarter ended June 30th, payable August 15th, to shareholders of record July 25th, 1935.

By Order of the Board.
JAMES WILSON,
Secretary.

Montreal, July 16, 1935.

General Motors Announce $300,000 Building Plan

More than $300,000 is to be spent by General Motors of Canada in enlarging its plant equipment. "We have found it necessary to provide space for producing many more cars than were built last year," said H. A. Brown, vice-president and general manager.

"In addition, we have to find room for the manufacture of parts and tools which have not previously been made in Canada. We also intend to start manufacturing our own tools for use in the body plant instead of importing them," Mr. Brown added.

PROVINCES MAKE CONTINUOUS CALL ON DOM. TREASURY

Western Governments Borrow $84 Millions Since Last April

From Our Own Correspondent

OTTAWA. — Although required for different purposes the cash demands of the four western provinces upon the Dominion treasury continue unabated. Since March 31, last, new loans to the total of $8,827,124 have been granted, bringing the grand total to almost $84 millions. It is apparent that these loans will top $100 millions before the current fiscal year is ended and will have reached a figure that will make repayment impracticable.

Since 1931

Starting in the autumn of 1931 as a policy designed to guard the integrity of the national credit, loans were granted to these provinces to enable them to meet debt maturities at New York. Exchange was then heavily against Canada and the provinces were unable to pay the premiums on their interest and principal maturities.

The defence of the loans was that if a province defaulted the national credit would be impaired.

Cover Wide Range

From these beginnings the loans were broadened to cover cash for seed grain and feed and, finally, for unemployment relief and public works. It is notable that practically all of the current loans are for relief purposes.

The original interest rate was from 5 to 5½ per cent but as the level of interest rates declined, the Dominion gave the province full benefit. Rates were cut to 4½ per cent and will be fixed at 4 per cent as from July 1, last.

Sask. Falters

Three of the provinces have succeeded in meeting interest payments on these loans. The fourth—Saskatchewan— has been unable to do this and interest payments have been capitalized as they fell due. The Dominion has accepted provincial treasury bills in payment.

Indicative of the endless demands which are being made on Ottawa, the records reveal that 15 loans have been put through since April 1, last. Details follow:

Provincial Borrowings Since April

April	Prov.	Amount $	Purpose
1	Sask.	3,000,000	feed & seed
12	Man.	266,000	relief
29	Sask.	533,124	relief
29	Man.	120,000	drought relief
May			
22	Man.	259,000	relief
23	B.C.	600,000	relief
29	Alta.	500,000	relief
29	Alta.	750,000	feed & seed
29	B.C.	500,000	flood damage
29	B.C.	500,000	relief
June			
7	Alta.	250,000	relief
11	Man.	218,000	relief
29	Sask.	765,000	relief
29	Man.	566,000	relief

Position at July 1, 1935

	For debt payment $	Seed & feed $	Relief $
	(000's omitted)		
Man.	3,425	265	10,847
Sask.	3,934	10,892	23,960
Alta.	3,142	2,985	7,550
B. C.	5,298	nil	11,315
	15,800	14,142	53,673

It will be observed that if held to the original limits these loans would have amounted to just a little over $15 millions. The bulk of the money has gone for relief.

Farm Factors

Agricultural Trends Affecting Business and Finance

Credit Legislation

UNDOUBTEDLY of all the "New Deal" legislation executed or planned by the present Ottawa Government the Farmers Creditors Arrangement Act has been the most acceptable, by both the agricultural community and the industrial and financial interests involved. Probably there is much to be said in favor of such legislation. It has helped those producers, who through unforeseen circumstances had become almost hopelessly involved in debt. To such people the Act, by arranging a settlement, has allowed them to make a fresh start.

But there is another side of the picture.

Certain companies like the large implement concerns, seed, fencing and equipment firms, which do most of their rural business on credit, have been hard hit. Additional write-offs against accounts receivable have had to be made. Unsecured creditors of the hardware dealer, garage man and doctor type have been hard hit. In not a few cases, too, deliberate advantage seems to have been taken of the Act to shirk all debt responsibility as the following excerpt from the Winchester Press would indicate:

"Repudiation seems to be more in fashion than liquidation, and our governments, with the best intention of helping, seem to have encouraged many to take advantage of their generous legislation to get rid of their honest debts. A number of cases have been told of farmers deliberately boasting that they had made a settlement with the Farm Settlement Board, and that the merchants and others they were indebted to could now wait for their money. Some have gone even further and said they would never pay."

* * *

Cattle Exports

WHILE Canadian cattle shipments to United States have fallen off in recent weeks, owing to the drop in prices at Chicago, Buffalo and other centres, already for the first six months of the present year over 80,000 head have been exported. This is close to 10,000 head more than total Canadian exports in 1934. While the removal of this surplus stock from the Dominion has provided much additional revenue to the Canadian farmer, the indirect benefit has been even more important. A year ago low-grade cattle could hardly be given away in western Canada, and even in the eastern provinces the market was oversupplied and prices draggy. Values throughout the whole country are from 25 to 50 per cent above the level of 1934 and as a result there is new life in those agricultural areas largely devoted to cattle raising.

Wheat

From Our Own Correspondent

WINNIPEG. — Because of a threatened blockade of terminal elevators at the head of the lakes, it is reported that the government wheat agency will shortly move 15 million bushels of wheat from Port Arthur and Fort William to eastern points. Unless this is done there will not be sufficient room for the new crop.

* * *

Other Reasons

BESIDES making room for the new crop in country elevators, loosening at the head of the lakes is required if the annual year-end weighing of stocks is to be carried out. Another reason is to allow grain which has already been graded to move forward before the new grade basis comes into force on August 1.

* * *

Future Hedging Indefinite

ELEVATOR interests also want to get delivered to the Central selling agency all grain which they have hedged in the July contract. Under present uncertain conditions it is hard to tell as to how future hedging will be conducted.

* * *

What New Changes Mean

THE latest development in Canada's grain industry makes the government agency owners of a large quantity of grain in eastern positions. This puts the owners of grain in the east in a precarious position, as they do not know on what basis the government-owned grain will be offered for sale.

Under such conditions the movement of grain down to the lakes by commercial interests has almost ceased entirely and there is no prospect of a change unless the situation is clarified by the establishment of some definite policy by the new wheat board.

* * *

Problem of Garnet

NEW grading of Garnet wheat presents problems which must be dealt with by the Board of Grain Commissioners, by the Winnipeg Grain Exchange and by the new Canadian Grain Board. What the price of Garnet wheat will be in comparison with wheat of grades No. 1 northern and No. 2 northern from which it is now excluded is something that only the market itself will determine in time, but in the meantime the three bodies named must take action based on their estimates of the probable difference in price.

It is the Board of Grain Commissioners which faces the most complicated task. Parliament has voted $1,500,000 as a fund to be administered by the Board to cover losses that may be involved in the changing of grades on wheat that may be in store on August 1 next, when the change in grading is made effective. The Board will have to determine the basis of compensation to be paid when No. 2 wheat is lowered in grade to No. 3 as many million bushels must be lowered.

* * *

Some Dry Areas

IN MANITOBA, according to latest Dominion Government crop summary, the development of a rust menace dominates the situation. Drought continues to take a toll from crops in parts of south-western, west-central and north-western Saskatchewan, but apart from these areas conditions continue favorable. Severe drought damage is taking place in southern districts of Alberta. High temperatures of the past week have revealed lack of sub-soil moisture in parts of central Alberta. Recent weather has been favorable to crops in northern Alberta.

GRAIN TO SUFFER FROM RUST EVIL

Crop is Very Susceptible Because of Lateness

From Our Own Correspondent

WINNIPEG.—There can now be no doubt that the Canadian wheat crop is likely to suffer considerable damage by rust. Examination shows that some infestation by rust spores exists over a large area in Manitoba and Saskatchewan. There is sufficient primary infestation to cause a great deal of damage should two weeks or so of weather occur favorable to the spread of rust.

Crop Susceptible

A few days of rust-developing weather could produce a tremendous amount of damage, and the crop is more susceptible in view of its lateness. Even during the recent drought years some small amounts of damage have occurred to wheat in districts where crops were good, but harvest has generally been so early as to escape any but minimum damage.

What Rust Does

When rust occurs it is possible for heads to be entirely prevented from developing, but that is not usual. The usual effect is for a smaller number of kernels in each head to be matured, and for those which do mature to be shrunken and light in weight.

Western Wheat Pools Have Different Ideas

From Our Own Correspondent

WINNIPEG. — Canadian wheat pool organizations do not see eye to eye on the new wheat board bill.

Directors of the Canadian Co-operative Wheat Producers Ltd., made up of representatives of the different pool organizations, say that they like the bill. Also, that the changes made from the original draft, do not make it any less satisfactory.

Just the Opposite

But a blast of criticism comes from the Alberta Wheat Pool. Speaking editorially through an advertisement in their organ, The United Farmer, the pool says that the organized wheat producers of western Canada "did not obtain the kind of a wheat board they wanted at Ottawa."

Look at Railway Workers

The advertisement goes on to say: "Let us suppose the employees of the Canadian National Railways or of the Canadian Pacific Railway had taken cuts of 50 per cent in wages during the depression. Would they have been told by members of Parliament and leading newspapers that they should be satisfied because railway workers in Italy, or Argentina, or Germany were selling their labor cheaper and so Canada would have to insist on cheap railway labor?

Railway Men and Farmers

"Yet that is what the western wheat growers were told before the Grain Board Parliamentary Committee at Ottawa. There is this difference; the railway workers are so strongly organized that politicans and newspapers and leading citizens are humble before them. But the farmers are so loosely organized that they have not the same power and force."

Must Organize

The advertisement concludes with a declaration that if western grain growers desire to obtain treatment as good as other classes of the population, they will be compelled to strengthen their organization.

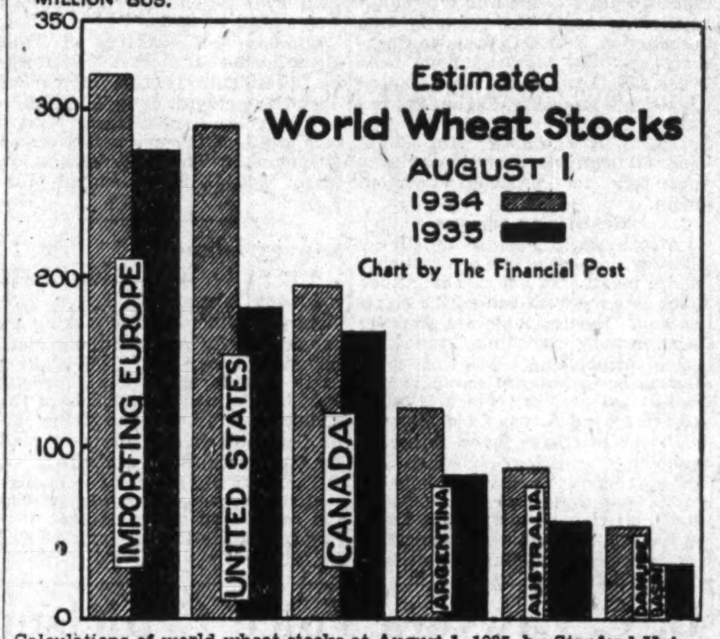
Grain and Milling

Canadian Wheat Exports Establish Post-War Low

Southern Hemisphere Producers Dominate Export Trade — World Stocks Reduced by 287 Million Bus. from 1934—World Consumption Lower

Canadian wheat exports, adjusted for stocks bonded in the United States, were smaller in August-March 1934-35 than in any other post-war year, according to the Stanford Food Research Institute. Further, they represented a significantly smaller percentage of available domestic supplies than in any other year. The report of the Institute does not attribute this fact directly to the government-sponsored operations in the Winnipeg Grain Exchange, but feels that it is probable that exports would have been greater had there been no interference.

In view of the substantial available supplies of wheat in the southern hemisphere at August 1, 1934, and the free exporting policy of these countries, exports from Canada would naturally have been lighter than in some previous years. "The effect of government-sponsored operations upon Canadian exports is likely to be more important in April-July than was the case in August-March," states the report. This is because supplies in Argentina and Australia are being reduced to more normal proportions. Another important factor in the wheat exporting problem is that during the past year the United States joined the ranks of the net importing countries for the first time since the middle of the nineteenth century.



Calculations of world wheat stocks at August 1, 1935, by Stanford University, show decreases in all major countries. While the stocks in Importing Europe and the United States are high, this wheat is for the most part necessary for domestic consumption during the balance of the crop-year. Canadian stocks are practically all exportable.

World Stocks Down

While the present wheat market is being dominated by weather conditions in the grain producing countries of America and Europe, the basic facts relating to world wheat stocks are still of great importance. Wheat stocks in all major positions can now be estimated with a reasonable degree of accuracy for the approaching year-end at the end of July. Estimates by the Stanford Institute show reduced estimates for all important points. For the world at large, the August 1, 1935 estimate is 868 million bushels. This represents a reduction of 287 million bushels from the 1934 figure.

Although wheat stocks in the United States are estimated at a somewhat higher figure than those of Canada, the U.S. surplus does not have a great deal of effect on the markets of the world, because of the fact that this supply is needed for domestic consumption. The Canadian carry-over is the deadweight on the market. The estimated world stock of wheat, although considerably below the 1934 figure, is still 260 million bushels above the 1923-27 level.

Disappearance Less

Consumption figures for the world indicate a further reduction in disappearance during the past year. This decline has been in evidence since 1931 and has been most pronounced in the Danube basin, Italy and Czechoslovakia. In North America and Northern Europe there is estimated to have been a heavier consumption in the form of stock feed. In Africa (except Egypt) Spain and Portugal consumption of wheat as food has increased.

The disappointing feature to the exporting countries in the current crop has been the slow European demand for wheat. It has been anticipated that there would be some improvement in this demand during the past six months, and its failure to materialize has had a depressing effect on the chief markets of the world. Shipments to Europe in August-April 1934-35 were the smallest on record since 1917-18, and 14 million bushels less than the corresponding period a year ago.

High supplies of wheat in the importing countries of Europe and the influence of government policies upon wheat prices and trade are given, by the Institute, as the chief causes of the decline in shipments. Some countries, notably Manchuria and the U.S., took more wheat in the nine months of the current crop-year, but the increase was not sufficient to offset the lessened European demand.

1935 Production

Judging from the present crop conditions in Canada, acreage seeded and assuming an average yield per acre, the Institute estimate the 1935 Canadian wheat crop in the neighborhood of 372 million bushels. Such a crop would exceed those of the past two years by about 90 million bushels.

For the northern hemisphere, the report places itself on record as anticipating a total 1935 production of about 3,165 million bushels, which indicates an increase of more than 300 million bushels over the previous year. Weather conditions will be the dominant factor in determining the accuracy of this estimate.

The course of wheat prices over the past six months has been decidedly lacking in color. Day to day fluctuations have been within a narrow range and no major movements either up or down have been in evidence. Winnipeg has maintained a consistently high level in comparison with Liverpool and Buenos Aires. The spread between Canadian and Argentine wheat averaged from 25 to 30 cents per bushel throughout the period.

Prices dipped to a low point for the period in mid-March, but recovered somewhat in April following bullish crop reports in the United States winter wheat areas. Since that time weather conditions have improved considerably and the prices have reacted back to the previous levels. Winnipeg prices kept a few cents above the "pegged" price during the period.

Complete information on the problems discussed in the above article will be found in "Wheat Studies" for May, 1935, Stanford University, California, price 50 cents.

End of Drought Cycle Seen by Meteorologist

Eric R. Miller, United States Meteorologist, speaking recently in Minneapolis, predicted that the dry years in the Western States are over for the time being. Mr. Miller said that previous experience indicated that a 35-year cycle elapses from one severe drought to another and that the last disastrous drought in the West ended abruptly just 35 years ago.

The last great drought before that ended in the 60's. He added that the data as far as it goes indicated that droughts have ended suddenly with cool rainy periods following them. The weather this year, it is said, follows closely that of the 60's and the 90's.

ALARM EVIDENT IN GRAIN TRADE OVER NEW BOARD

Delay in Announcing the Wheat Board Personnel Worries Dealers

From Our Own Correspondent

OTTAWA.—A note of surprise and alarm is evident in the reaction of the grain and milling trades to the delay in setting up the new wheat board.

It is believed that the milling industry is in the more difficult position of the two. As for the grain trade, it is felt that the wheat problem demands the creation of the new board and the adoption forthwith of a strong selling policy. Otherwise the huge surplus now being held on government account must collide with the new crop.

Late New Crop

The lateness of the new crop, estimated at around 400 million bushels, confers a golden opportunity to sell wheat and cut down the huge carry-over. Once the new crop begins to move, which will come on the market about Sept. 20, the treasury will have to put up the money to buy in scores of millions of bushels additional to existing holdings and the problem of sale will be much more difficult.

"Cashing In"

The necessity of "cashing in" on the present opportunity to sell wheat was recognized by all parties and all branches of the trade. But until the new board is created, the present set-up must continue under which the price of wheat on the Winnipeg market is pegged at 80 cents per bushel. This price is entirely out of line with world prices and the result is revealed in government statistics. Sales have fallen sharply; the wheat surplus is not being fed into the market.

Situation of Millers

With the millers, the situation is even more urgent. This is the season when they receive their flour orders from abroad. To obtain these orders they must be able to quote a price which will compete with foreign mills. And this they cannot do if the 80 cent peg is retained. More than that, the futures market has been in part suppressed and the usual hedging facilities are not available.

Wheat Board Members

Those now mentioned for the new wheat board include the following: John I. McFarland, chairman; Paul Bredit, head of the Manitoba wheat pool as one commissioner and either Sidney T. Smith, of Winnipeg, or Robert McKee, of Vancouver, as the other. Both Mr. Smith and Mr. McKee are grain men.

Crop Reports

The crop is still subject to many risks, and weather conditions during the next few weeks will be watched closely. While present prospects are more promising than in recent years, all crops, particularly in northern districts are quite late and require favorable weather to maintain present prospects.—Sanford Evans.

After weeks of unsettled weather the skies have cleared and bright sunshine prevails over most of the Canadian West. Development of rust will depend largely on the weather. Muggy weather is favorable. Dry weather is unfavorable.—Country Guide.

Promising wheat crop conditions in Western Canada are indicated. Important exceptions are a rather dry condition in Southern Alberta, South-Western and West Central Saskatchewan and the fact that wheat crops have failed to overcome the one to two weeks lost on account of late seeding and cool weather.—Winnipeg Free Press.

Wheat Prices

(Cash Quotations)

	Aver. for week July 6 $	Previous week $
At Winnipeg:		
No. 1 Man. Hard	0.808	0.814
No. 1 Northern	0.808	0.814
No. 2 Northern	0.778	0.783
No. 3 Northern	0.728	0.735
No. 4 Northern	0.653	0.661
No. 5 Wheat	0.588	0.598
No. 6 Wheat	0.582	0.577
Feed Wheat	0.548	0.556
At Vancouver:		
No. 1 Northern	0.781	0.793
At Toronto:		
Milling Wheat	0.680	0.700

Competitive Export Prices:
(July) shipment:

	High Week to July 12 $	Low Week to July 12 $
No. 1 North. Vanc.)	0.98⅛	0.87½
No. 2 North. (Atlan.)	0.88¾	0.87½
No. 2 North (Vanc.)	0.83¼	0.82⅞
Argentine Rosafe	0.67¾	0.67⅛
Do., Barusso	0.67	0.66
Australian	0.75⅛	0.74¾
West Australian	0.77¾	0.77½
French	0.58⅞	0.57¾

Key Facts About Wheat

	Week bu.	Previous week bu.	Same wk. prev. year bu.
Canadian Wheat in Store:			
Fort William, July 12	77,534,849	75,624,312	57,609,767
Country elevators, July 5	80,302,568	81,913,597	73,141,702
Total all points, July 12	195,044,398	196,875,677	186,063,892
World Shipments, incl. flour, July 12:			
North American	....	1,780,000	....
Argentine	2,314,000	3,161,000	3,536,000
Australian	2,541,000	937,000	2,003,000
Black Sea*	....	328,000	....
Total, world	....	9,608,000	....
Visible Stock, July 16:			
Canadian	123,639,000	123,979,000	106,481,000
United States	23,285,000	22,670,000	95,700,000
Argentine	13,594,000	13,961,000	20,207,000
Country Marketings and Exports:†			
Canadian exports, July 5	1,442,503	1,795,533	3,414,354
Cum. to July 5 (49 weeks)	112,706,124	111,263,219	145,453,367
Country marketings, July 5	2,470,370	1,704,259	2,138,546
Cum. to June 28 (48 weeks)	215,981,877	213,511,507	216,475,339
Country deliveries, July 5‡	2,311,000	2,102,000	2,190,000
Country loadings, July 5‡	5,295,000	5,760,000	5,184,000

* Includes South Russia. † Excluding flour. ‡ Stanford Evans Weekly Report.

Winnipeg Grain Prices

Week to July 16, 1935

Crop year from Aug. 1, 1934 High	Low		Open July 10	High for week	Low for week	Close July 16
		Wheat				
.91⅛	.80	July	.80¼	.80⅜	.80	.80
.84⅞	.80	Aug.	.81	.81	.80	.80⅜
		Oats				
.45⅝	.35½	July	.44	.44⅝	.42	.42½
.47⅞	.29⅝	Oct.	.31⅛	.32¼	.30⅜	.30⅞
.30½	.29½	Dec.	.....	.30½	.29½	.29½
		Barley				
.60½	.33½	July	.36⅜	.36¾	.34¼	.34⅝
.48⅛	.31⅝	Oct.	.35⅝	.35⅞	.33⅛	.33½
.34½	.34⅜	Dec.	.....	.34½	.34⅜	.34⅜
		Flax				
1.49⅝	1.14½	July	1.22½	1.23	1.19	1.20
1.41¼	1.15	Oct.	......	1.19⅝	1.15½	1.17
1.18	1.17⅞	Dec.	......	1.18	1.17⅞	1.17⅞
		Rye				
.66⅜	.31½	July	.35⅛	.35¼	.33½	.34
.56⅜	.33¾	Oct.	.39	.39⅜	.36½	.36⅜
.39½	.37½	Dec.	.....	.39½	.37½	.38⅜

Official U. S. Crop Estimate New Bearish Wheat Factor

From Our Own Correspondent

WINNIPEG.—The principal bearish factor in the international wheat market at the moment is the recent official estimate of the United States. This estimates wheat production at 730 millions of bushels. The trade almost unanimously considers that estimate to be too high.

But should the estimate be realized it would mean that the United States would have an export surplus. This might be dumped on foreign markets under subsidy regardless of market effect, or it might result in bringing United States wheat prices down to world levels.

From the Canadian standpoint it is desirable that the United States should have no surplus to compete with the Dominion crop in overseas markets. It is also important that a high domestic level of prices should prevail in the United States. Such a level appears to exercise a useful psychological influence in other markets.

ESTD 18
Grain Merchants
Shippers & Exporters
75 Years' Experience in Domestic and Foreign Marketing of Grain
Pioneers in the Exporting of Grain from Western Canada
Correspondents in Every Foreign Port where Canadian Grain is sold
JAMES RICHARDSON & SONS
LIMITED
OFFICES:
EXECUTIVE OFFICES - WINNIPEG EXPORT OFFICES - MONTREAL, VANCOUVER
KINGSTON-TORONTO-CALGARY-EDMONTON-MOOSE JAW-SASKATOON-REGINA

RELIANCE
GRAIN COMPANY LIMITED
Owners and Operators Country Elevators and Terminals
Exporters and Shippers
SMITH, MURPHY CO. INC.
510 PRODUCE EXCHANGE, NEW YORK
Head Office: 919 Grain Exchange, Winnipeg
Branch Offices: Toronto and Vancouver

from Wagon to Sea-Board —
—Fair and Efficient dealing is the "A.P." Standard of Service.
The ALBERTA PACIFIC GRAIN COMPANY Ltd
LICENSED AND BONDED WITH THE BOARD OF GRAIN COMMISSIONERS

British America Elevator Company, Limited
WINNIPEG - MANITOBA
We Own and Operate 130 Country Elevators in
MANITOBA - SASKATCHEWAN - ALBERTA
Licensed Country Grain Warehousemen
Commission Merchants — Track Buyers
Members:
Winnipeg Grain Exchange Chicago Board of Trade
Minneapolis Chamber of Commerce

THE CANADIAN CONSOLIDATED GRAIN
COMPANY LIMITED
Operators of Country Elevators in Manitoba and Saskatchewan and Terminal Elevators at Fort William and Port Arthur
Grain Commission Merchants—Shippers and Handlers of All Grains
Head Office: WINNIPEG, CANADA

NORRIS GRAIN COMPANY
LIMITED
WINNIPEG AND TORONTO
PRIVATE WIRE SERVICE
GRAIN AND STOCKS
Represented by NORRIS GRAIN CO. at
London, Liverpool, Chicago, New York, Toledo, Kansas City

Binders for THE FINANCIAL POST

In response to the demand of subscribers, we are glad to announce that we will supply a binder — bound in attractive black waterproof iron cloth—to contain 52 weekly issues.

For convenience in filing permanent punches are attached to the binder.

Financial institutions, insurance companies and brokerage offices will find this new binder an invaluable addition to their offices or board rooms.

Cheques for binders should accompany orders and be made payable to The Financial Post. Binders will be shipped from Toronto, express collect.

Price $4.25 — Express Extra

The Financial Post,
481 University Ave., Toronto, Canada.

Please send me binder to hold 52 issues of The Financial Post. My cheque for $4.25 is enclosed.

Name ______

Address ______

News of Canadian Mining Investments

The Week in Mining

Worth Fostering?

LAST year, 32 of Canada's leading metal producers spent over $51 million in equipment.

This figure is the result of a reliable survey made by the Canadian Metal Mining Association. In mentally digesting the figure, it should be remembered that it does not include all the producing mines, nor the vast throng of developing properties. Their bill for equipment and supplies would probably be equally as startling.

The statistics, made available to The Financial Post through the courtesy of the Association, do not state what percentage of this huge sum was spent in Canada, but it is obvious that by far the greater part of it went for Canadian purchases. In this regard it is significant that the three largest items were freight, electric power, and fuel. All three of these must have been bought largely in Canada. This group of 32 mines expended over $9.1 million in freight; $7.5 million for electric power, and $5.7 million for fuel, such as coal, coke, charcoal and wood.

• • •

Note to Governments

WHILE space precludes publication of the itemized list, a detailed study of it would prove worthwhile to the man interested in the big market created by mining for a diversity of Canadian industries. It would be hard to find, in the broad field of industry, any product on which the Canadian mining industry does not spend substantial sums, from hospital supplies to nuts and bolts.

Note to governments: Should an industry which, in the ordinary course of routine, spends over $51 million in equipment and supplies, and in addition disburses over $53 million in dividends annually be fostered to the utmost extent?

• • •

Devitalizing Taxes

THE devitalizing effect of heavy taxation burdens is vividly shown in the six months earnings statement of Hollinger Consolidated Gold Mines, which accompanied current dividend cheques.

As shown in another article in this page, earnings per share for the first six months of 1935 amounted to only 45.37 cents as compared with 71.58 cents in the first six months last year.

Two factors stand out in the earnings statement: (1) the sharp decrease in recovery per ton, (2) Dominion government tax on gold, amounting to $577,783.

If Hollinger had not had to pay the bullion taxes, per share earnings would have amounted to about 57.11 cents per share, even if the company had treated the same low grade. Thus this one federal tax alone has nicked nearly twelve cents per share from the company's six months earnings.

When it was announced at the annual meeting that the bonus would henceforth be very uncertain, due to taxation, some wiseacres were heard to remark that this was a bluff aimed at frightening the government from its taxation policy.

The six months statement just issued should shame those same wiseacres into purchasing one way tickets to Samarkand.

• • •

Golds Hold Back

SOMETHING of the irritating apathy of a sulky child cloaked the action, or rather the lack of action, of the golds on the mining section during the week past. While signs of better sentiment were abundantly evident in junior golds, base metals, and silvers, senior golds, as if nursing a grievance, refused to take part in the general movement, some of them even showing marked declines.

The reasons behind this attitude are many. Six months production figures from senior producers are just starting to be released, and show, almost invariably, reduced earnings. Government taxation and lower grades treated are responsible for these decreases and the senior gold stocks refuse to discount better conditions for the next six months during which the double tax condition will not be in force. It only takes a few reports like those released last week by Hollinger and Howey to depress a whole board.

Perhaps the brightest spot was the base metal group. News from London that signatories to the copper agreement had been living up to the restriction terms, and planned to keep on doing so, plus news that copper sales on the world market were up, cleared the air over copper, which for weeks had been fogbound.

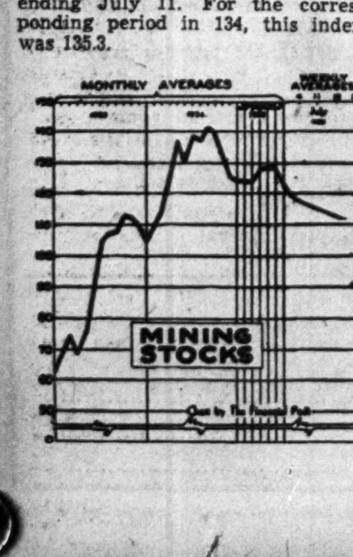
Junior golds were brighter, chief strong spots being McWatters, San Antonio, God's Lake, Afton and Pickle Crow.

• • •

Index to Mining Stocks

THE persistent downward movement of gold was responsible for the decline of the weighted index of 23 mining issues from 118.8 for the week of July 4 to 118.0 for the week ending July 11. This index compares with 139.8 for the week ending July 12, 1934.

The weekly average prices were lower for thirteen, unchanged for one and higher for five of the nineteen gold stocks. The index for this group dropped from 112.1 for the week of July 4 to 110.8 for the week ending July 11. For the corresponding period in 134, this index was 135.3.



SUSPEND LICENSE UNLISTED BROKERS BRIBERY CHARGED

Securities Commission Acts Swiftly in "Clean-up" Move

In addition to cancelling the license of Mid-Canada Exploration Co., fiscal agent for, and principal shareholder in Maple Leaf Mines, the Ontario Securities Commission has suspended the licenses of several unlisted brokerage dealers, officials of the Commission inform The Financial Post. Those firms whose licenses have been suspended include Armstrong Taylor & Co., Kerr Downs Co. and W. J. Marshall & Co.

According to the Securities Commission, this action follows weeks of investigation, which has not yet been completed. It is charged that certain unlisted brokers have been bribing houses to give them business on which a "spread" was possible. The sums involved in these alleged bribes have been small, ranging from $10 to $25, it is reported.

The action of the commission is all part of a drive to clean up conditions existing in the unlisted securities market.

Following cancellation of the license of Mid-Canada Exploration Co., Toronto police arrested D. S. Paterson, large pre-depression broker, reported to be largely interested in Mid-Canada, on a charge of theft. The theft charge involves cash and securities to the amount of $1,800 and the complainant is Harry Long, of Peterborough.

LOW GRADE POLICY PLUS HEAVY TAXES AFFECT HOLLINGER

Per Share Earnings in Six Months Show Sharp Drop

A recovery per ton of $7.33 as compared with $8.10 in the similar period of 1934 and $7.36 during the twelve months to Dec. 31, 1934, is shown in the preliminary operating statement issued by Hollinger Gold Mines, for the six months ended June 30, 1935.

This low recovery, plus the fact that the company had to pay $577,784 in Dominion government tax on gold, has resulted in a sharp decrease in net profit, which, for period, and before deducting depreciation and surplus adjustment, amounted to $2,232,452. This compares with a net of $3,521,822 for the corresponding period last year.

Thus an equivalent of 45.37 cents per share is available for dividends, as compared with 71 cents in the first half of 1934.

Following are comparative figures for the first six months of 1934 and 1935:

Six Months Ended June 30

	1935	1934
Tons milled	895,929	920,424
Recov. per ton	$7.33	$8.10
Val. gold, silver prod.	$7,144,879*	$7,516,474
Int. on invest. & other income	$ 82,000	544,015
Total income	$7,226,879	8,060,489
Oper. exps. incl. all shares & allow. for taxes	$4,994,427†	4,538,667
Total profit	$2,232,452	3,521,822
Earnings per share	$ 0.45	0.71
Total dvds. paid	$ .50	.65

*Before deduction of bullion tax.
†Including bullion tax of $577,784; reserve for other taxes of $385,477.

MILLHEADS AT HOWEY DROP IN 2ND QUARTER

Bullion Recovered for First Six Months Set at $694,589

A total of 245,174 tons of ore were treated in the first six months of 1935 by Howey Gold Mines, according to officials of the company, and bullion recovered during the period was valued at $694,589.

Costs during the first half of the year amounted to about $1.78 per ton, before taxes, depreciation, etc. On this basis, the company earned an operating profit during the period of slightly over $260,000, as compared with an operating profit of about $443,000 in the first six months of 1934. The drop in operating profit is due to the grade of ore at present being treated by the company, a grade which is considerably lower than that treated last year.

Figures for the first three and second three months of the year indicate the decline in millheads which is a deliberate policy of the company. In the first three months, the company handled 122,008 tons of ore with a recovery of about $374,931, indicating millheads of $3.07 per ton. During the second three months, tonnage handled approximated 123,166 tons, and recovered $319,658, indicating millheads of $2.51.

Repairs to the main shaft have necessitated suspension of operations, but officials report to The Financial Post that it is planned to resume operations again by July 23.

May Spiers Starts Shaft to 300 Feet

From Our Own Correspondent

HUDSON.—Shaft-sinking at May Spiers Gold Mines in the Red Lake area has begun. It will be pushed forward to 300 ft. depth for the establishment of two levels at 175 and 300 ft. Camp buildings and the mining plant have been put up under the direction of Nelson Spiers, vice-president, who is now supervising sinking of the three-compartment shaft. Power for the work is being supplied by two 85 h.p. tubular return steam boilers. Equipment installed is sufficient to go to 500 ft. May Spiers is considered amply financed for present development which is expected to give a full picture of the ore structures by early winter. About 25 men are employed.

Coke Production

More than half of the coke produced in Canada during the first five months of the current year came from Ontario, or 568,648 tons out of a Dominion total of 943,950 tons.

Alcona Has 'Em Busy As Old District Seen '35's Gift to Mining

Three Weeks Old Rush Already Reaches Major Proportions

FOUND BY TYRRELL

Bert Tyrrell Uncovers Initial Showing—Post First in Field

From Our Own Correspondent

HUDSON.—Is the Alcona field destined to be Canada's 1935 contribution to Canada's rapidly growing list of gold fields?

Last year it was Sturgeon River. In previous years it was Red Lake, Pickle Lake, Long Lac, Schreiber, etc.

The writer, the first newspaperman in this new field, revealed the find less than three weeks ago. It was after Bert Tyrrell of Toronto made a prospecting trip into the Sioux Lookout-Hudson area and located a rich find close to the long-dormant Alcona Gold Mines. The news was flashed to prospectors, via the grape vine route, all over northern Ontario, and the rush was on.

Solidly Staked

Jumping-off place into the new area is Alcona, section on the Sioux Lookout-Port Arthur branch line of the Canadian National Railways. From Alcona, access into the area is gained by following a passable tote road which leads four miles directly east into the Alcona Gold Mine property at the west end of the Alcona finds. The Sioux Lookout-Dinorwic highway goes right into the heart of the western part of the area.

The territory which today is receiving extensive prospecting is a small section of country three miles long and 1½ miles wide, extending from the Alcona Gold Mine property in length to the granite formation which borders the east end. This area is the most easterly section of the greenstone area of the Sioux Lookout-Hudson area, located by a geological survey in 1932. This section, only sparsely prospected prior to Bert Tyrrell's 1935 find, is now almost solidly staked. Prospectors are now beginning to double back along the greenstone formation going west, and are coming into the major deposit. This extends right through from Alcona to the Vermilion and Minnitaki Lakes area to a point directly south of Sunstrum.

This whole area is up to 22 miles wide and just under 50 miles long. At the west end of the greenstone area is the Vermilion Lake Gold Mines property which is planning production next winter.

Dr. N. E. Hurst, of the Ontario Department of Mines, in 1932 made a geological survey map of the area. He reported that it was very favorable to prospecting. His report in part states: "The most likely places in the area for the location of mineral deposits are: 1. Between the sedimentary belts and the greenstones; 2. In the vicinity of porphyry intrusions; 3. In the vicinity of deposits of fresh granite, such as occurs to the east of Alcona, between Swimit and Sandybeach lakes, and between the east end of Minnitaki and Zarn Lakes."

The Alcona Gold Mine property of 9 claims was staked in 1929 and examined by Consolidated Smelters. Test pitting and trenching was done. The year following Atlas Exploration examined the property. It opened up new veins north of the original workings. In 1932 a limited company was formed. Diamond drilling was done then with good results, but the property closed down when funds ran short. The drilling was done on the two main breaks in the holdings. The breaks averaged 1 inch to 4¾ ft. in width. The veins have been traced a quarter of a mile. It is now rumored that other interests—principally W. H. Price, former attorney-general of Ontario—are to take the Alcona property over and develop it.

Staked for Smelters' Gold?

Bert Tyrrell, Toronto, has made the first of the recent finds, which is described as a rich strike in a mineralized quartz formation close to porphyry. The finds are staked in the name of H. L. Donaldson and H. C. McRae, Smelter Gold officials. 42 claims have been staked just south of Split Lake, adjoining Alcona mine on the east. It is proposed to build camps and develop the property, with the crew to be moved in as soon as buildings are up. There is the possibility of diamond drilling being done.

John E. Clark, prospecting for W. H. Price, has staked 10 claims in 2 groups east and west of the Alcona mine, the west group adjoining Alcona Gold. It is believed that the Clark showing is a continuation of one of the Alcona Gold Mine veins. It is proposed to develop this property.

The Karl Springer Exploration Co. Ltd., Toronto: Cyril Knight Prospecting Co. Ltd., Toronto; and J. Clark Ruse, prospector of Toronto, have all staked claims in the area with a view to developing them. J. N. Robinson, M.B., representing the Sioux Lookout Diamond Drilling Company, has made two trips into Alcona. He is enthusiastic about the future of the area. Scores of prospectors are arriving daily from Sioux Lookout, Dinorwic, Kenora, Sturgeon River, Red Lake, Toronto, and other points looking for finds, and new claims are being staked almost hourly. To date 125 claims have been staked. J. N. Robinson plans to send a crew of men into the Vermilion Lake area to prospect.

In addition Mr. Robinson is to make a geological survey of a property one half mile west and adjoining the Vermilion Lake mine for O. M. Trano, Toronto. The latter recently staked the property. Examination is being made in preparation for drilling or other development. The Trano property has a showing which is believed to be an extension of the Vermilion vein.

The Vermilion Lake Gold Mine property is to move in a diamond drill crew this summer. It will explore three main veins on the property. It is the plan then, if the drilling stands up, to sink a shaft to 75 ft. A level will be established and conduct lateral development underground. When sufficient ore is blocked out a 25-ton mill will be installed to bring the property into production. Test shipments to Cochrane for mill purposes have been very satisfactory. The gold content at Vermilion averages about $22 per ton at the new price of gold. The property is equipped with camps and all equipment and machinery necessary for proposed development.

Registering Irksome

Alcona station, centre of all the activity, consists of one section house and a handful of log shacks pushed back into the bush behind the right-of-way. The residents are trappers who, in their spare time, have done, some prospecting. Two of them George and Stanley Michaud, in 1929 staked the property which is today owned by the Alcona Gold Mines.

Prospectors have found rather an annoying situation existing. Although Sioux Lookout is only 15 miles from the centre of the Alcona finds, all claims must be registered at Kenora, as the Alcona area comes under the Kenora Mining Division.

McMillan Output Up in 2nd Quarter

Production from McMillan Gold Mines, Ltd., in the Sudbury area, during the second quarter of 1935, reached 2,804.73 oz. of gold, this shipment being valued at about $98,364. This compares with 1,857.58 oz. shipped in the first quarter with a value of $65,265.

During the second quarter, 10,180 tons were treated with an extraction of better than 95 per cent. This gives a per ton recovery of about .27 oz. It is understood directors plan to call a meeting of shareholders in August to review company affairs.

B. C. Lawyers Voice Criticism Of Trend in "Blue Sky" Laws

Say Growing Bureaucracy in Canada May Spell Misfortune for Mining Industry — Claim Present Legislation "Goes Too Far"—Warning Given

From Our Own Correspondent

VANCOUVER.—Blue sky laws in general and the British Columbia Securities Frauds Prevention Act in particular were given extended attention by members of the B.C. Law Society at their annual meeting in Victoria a few days ago, and J. W. de B. Farris, K.C., in the inaugural address, warned that "the growth of bureaucracy in Canada should be watched."

Mr. Farris referred to the tendency of governments to delegate to officials rights which democracy had previously taken from them. He instanced the Securities Act in B.C. as one of the offending measures, and said that it was illustrative of a type of legislation for which all political parties must be held responsible.

"In my opinion," said Mr. Farris, "that act goes too far as it gives power to investigate business men, send auditors into offices and to sit in judgment on the conduct of these men without any real opportunity of a trial being given."

Should Consider Capital

G. L. Fraser, Vancouver lawyer, who has been acting as investigator for the provincial government in the affairs of several B.C. mining companies, gave the meeting the results of his experience.

"The issue seems to be whether parliament or legislatures should delegate to an official power to govern, regulate and control persons or corporations, or let that power remain with our elected representatives," said Mr. Fraser. He added that the mining industry, which was producing about three quarters of the wealth of the province and represented about $66 per capita, should be legislated for with intelligence and foresight, and every encouragement should be given capital's reasonable investment.

B.C. Under Cloud

"We must endeavor to give the promoter or the capitalist a generous profit for his speculative endeavors, avoiding as far as possible red tape, expense and too much bureaucratic meddling," said Mr. Fraser. "British Columbia's reputation is now under a cloud in the east. The legal profession should do its part toward reestablishing confidence."

Mr. Fraser pointed out that in British Columbia today companies cannot issue shares or enter into certain contracts until the approval of the superintendent of brokers is obtained. Such approval is conditional not upon compliance with a legislative formula which sets forth what may or may not be done, but upon what the superintendent in his discretion, wisdom or folly may decide is fair and just.

"It is only right that legislation of this nature be fairly and carefully considered because it involves deep-rooted principles of far-reaching effect.

"My experience tells me that among the public, mining men and the professions, there is a clear cleavage of opinion respecting the efficacy of the legislation."

Mr. Fraser declared that the legal profession is "generally opposed to the law," and went on to discuss in detail the points against B.C. and other anti-blue sky legislation.

Stops Big Deal

"Now, however, by reason of the 1935 amendment to the Securities Act and the Companies Act, the law has been altered and by the most adroit form of draftsmanship, a company trading in its own shares is constituted a broker. Furthermore, it is provided by a new and far-reaching section, that registration shall be upon such terms, conditions and restrictions as the superintendent may think advisable. It must be patent that such discretionary powers are both unique in character and far-reaching.

"In one instance, a company was about to be incorporated. The B.C. vendors and promoters had arranged with a prominent eastern financial house for the purchase of a substantial block of treasury shares in the proposed company in consideration of their being given a two-year option on the remainder of the company's treasury shares at increasing prices. The option was carefully worked out so that the company would have ample funds each month from the eastern financial house to enable it to carry on. In its final form it represented a well-fought bargain. After personal consultation with the superintendent, he refused to approve it.

"It was suggested to him that he put a term in the registration that none of the shares could be sold in B.C., it being pointed out that his job was to protect the public of this province. This change did not meet with his approval and the negotiations terminated.

"Eventually a company was incorporated in Ontario, and the very contract which the B.C. superintendent refused to approve was passed by the superintendent in Ontario, although at that time both provinces had identical statutes."

YMIR CONS. MILL STARTS OPERATING ON OLD PROPERTY

Rehabilitation Started in November on Former Producer

From Our Own Correspondent

VANCOUVER. — Ymir Consolidated mill at Ymir started operating this month. Construction of the plant started in May. Installation is practically all individual drive, with sub-distribution electrical system. Concentrates will be handled directly from bunkers to trucks and conveyed in bulk to the railway or smelter. Both Ymir and Goodenough, which will be served by the mill, are old-time producers. Under former owners Ymir produced about $4,000,000 and Goodenough about $300,000.

Substantial Tonnage

The Ymir mine comprises the Rockland, Ymir, Mugwump, Golden Horn, Robertson and Laurence, fractions, Crown granted, and surface rights and millsite. The new activity commenced last November after extensive sampling operations had shown that there was substantial tonnage for a large milling operation, especially with gold at the higher price.

The Goodenough property, adjoining the Ymir to the southwest, includes the Gibralter, Goodenough Fraction and Alma crown-granted claims, with eight contiguous claims held by location The Goodenough was staked in 1898.

Officers and directors of Ymir Consolidated are Robert C. McCorkell, president; Thomas Mercer of Victoria, vice-president; A. M. Manson, K.C., secretary-treasurer. Directors are J. H. Hemsworth, Norman Jessiman of Vancouver and G. R. Mason and D. G. W. Aimers, Victoria.

Jowsey Island Will Sink Shaft

Jowsey Island Gold Mines, subsidiary of God's Lake, is making arrangements to put a sinking plant on the property and begin sinking early in September, The Financial Post is informed by officials of the company. It is understood the immediate objective of the shaft will be 200 ft. with 600 ft. of drifting.

The shaft will be sunk on the original showing on Jowsey Island. On the completion of the present drilling contract, a further contract will be let.

Meridian to Change Capital Structure

To consider consolidation of its authorized capitalization from 6,000,000 to 1,200,000 shares, an extraordinary general meeting of shareholders of Meridian Mining Co. Ltd. has been called for July 25 in Vancouver. The resolution to be considered states that par value for the proposed stocks should be 50 cents each, instead of the present 10 cent par value. Under the plan one new share will be issued for every five present shares. Shareholders will also be asked to pass on a resolution increasing the capital of the company to $875,000 by the creation of 550,000 shares of 50 cents each, ranking in all respects pari-passu with the existing shares of the company.

In explaining these proposals, J. C. Calhoun, managing director, points out that the capital stock structure of the company is top heavy. The company has outstanding 3,852,945 shares and 2,147,055 shares in the treasury, which leaves the public always in dread of a large block of stock coming on the market, thus having a psychological depressing effect.

Financial Obstacles

One of the obstacles faced by the company in securing major financing, Mr. Calhoun points out, was that in order to give control to the company putting up the money necessary for the financing and requiring the controlling interest in the stock, the company was compelled to secure an option on 860,000 issued shares from the vendors or promoters.

Approve Merger Bradian-Bralorne By Shareholders

From Our Own Correspondent

VANCOUVER.—Merger of Bralorne and Bradian mines was approved unanimously at separate meetings of the shareholders of the two companies.

The two properties were originally one, but when Bralorne reached large-scale production the management considered it wise to split the property in half to expedite development. Now that Bradian has reached the point where a mill is required it was considered advisable to effect a combination so that both mines can ship ore to the same 450-ton mill.

Bradian will now be wound up and a share exchange is being worked out on the basis of one share of Bralorne to two and a half of Bradian.

Ore on Bralorne's 12th level is improving, according to R. Bosustow, manager. An average of .4 ounces gold was given in the last 92 ft. Ida May vein in Bradian is in 750 ft. with a width of about five ft., giving a grade of ore of about .5 ounces gold.

At the Mines

Algold Gold Mines—Reports to the Toronto Stock Exchange that 45,000 shares, part of the block provided to be taken up by June 1, have been paid for. An extension until June 27 has been given on the balance of 55,000 shares.

• • •

Algoma Mining & Finance Corp.—reports to the Toronto Stock Exchange that the existing option dated February 25 is in default, a total of only 50,000 shares out of a total of 100,000 shares having been taken up. The company has not, however, given notice declaring the option forfeited as provided for in the agreement.

• • •

Austin Rouyn Gold Mines—A crew of 22 men, under the supervision of M. B. R. Gordon, mining engineer and president of the company, is rushing shaft sinking work at this property in the Rouyn district of Quebec. At the present rate, it is hoped that the first level, at 135 ft. will be established and lateral work started during the early part of August.

• • •

Corless Patricia Gold Mines—reports everything now ready for 1,000 ft. diamond drilling programme. During the past month, work has been concentrated on No. 5 vein which has been test pitted for a length of 1,900 ft.

• • •

Edgecreek Consolidated Gold Syndicate—Intensive surface work has been started in a new area south of the break which was probed by diamond drilling on this property in the Beatty Munro district. Trenching and test pits have revealed some well mineralized stringers, syndicate officials state. Diamond drilling will be continued on the former break.

• • •

Gold Eagle Mines—at Mackenzie Island, Red Lake, are conducting lateral development work on three levels. The main Mackenzie shearing which cut through the Gold Eagle property has been partially opened up by drifting on two levels while from diamond drilling the vein has been located at 500 ft. Drifting continues on the first two levels while on the third level a crosscut has been started through the vein.

• • •

Kenora Prospectors and Miners Ltd—has started installation of a 50-ton mill at its Cornucopia property in the Lake of the Woods area. The property is developed from two shafts down 150 ft. and 300 ft. No actual tonnage of ore is reported.

• • •

Handley Gerlach Mines—Work is to be resumed at this well-known old property in the south Kirkland Lake area, Charles Gerlach, president told The Financial Post. He points out that the treasury is not depleted, there being still unissued 1,100,000 shares of an authorized capitalization of 3 million shares.

• • •

Lebel Oro—reports that the option dated January 3, 1935, has been exercised in full, 375,000 shares having been taken up. The price for this stock, The Financial Post understands, was five cents per share. Drilling has been resumed at the property from the first level.

• • •

Minto Gold Mines—inactive for 30 years may again see activity if an option agreement now pending is consummated. Details are not as yet forthcoming.

• • •

Quebec Eureka Gold Mines—has suspended work temporarily pending negotiations for further financing. The Financial Post is informed that the shaft, sunk to a depth of 20 ft. showed at the bottom values of $12.60 per ton, across four ft. with gold at $20.67 per ounce.

• • •

Paymaster Consolidated Mines—produced bullion to the value of $49,655 in June compared with production of approximately $50,000 in May.

• • •

Peterson Cobalt — reports that time for the payment of a third installment under the option agreement dated April 4, 1935, has been extended from July 4 to August 4.

• • •

Richelieu Gold Mines—the shaft on this property in the Sturgeon Lake area has been completed to 275 ft. according to official advice. Two stations have been cut at 125 and 250 ft. The main vein in the property was cut at 205 ft. in the shaft.

• • •

Roche Long Lac Gold Mines—has let a contract for deep diamond drilling to explore surface findings at depth. Future plans of the company in respect to this recently required property on the Albany River, Patricia district depend on results from drilling.

• • •

St. Anthony Gold Mines—was recently examined by a New York engineer. After thoroughly going over the ore working he came to the conclusion that the veins now being worked extend to at least a depth of 1,000 ft. The 500-ft. level is now being drifted and 60 ft. has been done to date with the ore 5 ft. wide. Values averaging about $16 per ton. This level is 150 ft. below the previous low drifting.

• • •

Schreiber Pyramid Gold Mines—First unit of the proposed mill has been ordered, officials of the company report to The Financial Post. It is believed that until tunnelling operations are started sufficient commercial ore will be obtained from surface showings to keep the mill in operation.

• • •

Sheep Creek Gold Mines—The Toronto Stock Exchange has been advised that with the consent of the Superintendent of Brokers of British Columbia the 380,000 shares of Sheep Creek Gold Mines held in escrow by the Prudential Trust Co. Ltd. has been released.

• • •

South Tiblemont—operation dated February 28, 1935, has been terminated by default, a total of only 27,000 shares having been taken up.

• • •

Sudbury Mines—an extension of 60 days has been granted, this company reports to the Toronto Stock Exchange, commencing with the July 1 installment under the option agreement dated November 30, 1934.

• • •

Tashota Goldfields Ltd.—During June 1,345 tons were milled containing 731.7 oz. of gold, an average of .54 oz. per ton compared with 1,559 tons milled in May containing 572.6 oz. or an average of only .367 oz. per ton. In May only 2½ per cent of the ore was taken from the old ore dump as against 27½ per cent in June. The company states that reduction in tonnage milled was on account of some minor mechanical difficulties which have since been overcome.

N. C. URQUHART & CO.
STOCK BROKERS
Members Toronto Stock Exchange
15 King Street West Toronto, Ont.
ADel. 6028

Issue Summonses In Wayside Case Ends Years' Tilt

From Our Own Correspondent

VANCOUVER.—Summonses have been issued against Colquhoun, de Wolfe & Co., Purves E. Ritchie, George St. John and Vancouver Stock & Bond Co. Ltd., charged with offenses under the Securities Act in connection with Wayside Gold Mines, Ltd. The summonses were returnable July 18.

Gordon Sloan, attorney general, who has been handling the prosecution personally, says that summary convictions will be sought. He said he would press for stiff fines in the event of conviction.

G. L. Fraser acted as investigator for the government in the Wayside case, but when he summoned St. John to give evidence, the latter appeared with J. W. de B. Farris, K.C. as counsel, and asked leave to cross-examine other witnesses. Mr. Fraser refused this privilege and a temporary injunction, later quashed, was obtained against Mr. Fraser. The case was carried to the Supreme Court of Canada and Attorney-General Sloan won the decision. Mr. Fraser completed his enquiry and the present prosecutions are the result.

Under similar authority J. A. Russell is investigating Nicola Mines & Metals, Ltd.

DECKS ARE CLEAR FOR BUFFALO ANK. MARBUAN MERGER

No Legal or Corporate Obstacles in Way of Proposal, Post Learns

Although no definite steps have as yet been taken, directors of Marbuan Gold Mines and Buffalo Ankerite Gold Mines are still considering a consolidation of the two companies. They are very much in favor of the proposal, The Financial Post is informed on excellent authority.

Details of the proposal are not as yet available, but it is known that officials have investigated the legal and corporate aspects of the proposed merger, and have found no insurmountable difficulties.

It is believed in mining circles that basis for the consolidation of interests would be the payment to Marbuan of a block of Buffalo Ankerite shares. Buffalo Ankerite already holds a mortgage on Marbuan, amounting to $25,000 and falling due in October of this year. These shares, it is understood, would be distributed to Marbuan shareholders.

The mill at Marbuan has now a capacity of 150 tons per day. If the consolidation goes through, this, it is understood, would be stepped up to about 300 tons per day, bringing the combined output of the two adjoining properties up to 800 tons per day. It is also believed that the underground workings of the two neighbors, whose directorates are interlocking, have much in common.

Share Position Good

Buffalo Ankerite is in excellent position for such a share purchase, having as at July 12, 1935, only 577,907 shares of its 1 million share capitalization outstanding.

June production at Buffalo Ankerite showed an estimated recovery of $74,500, compared to $89,000 in May. The decrease was due to the fact that the crusher house was closed down for 26 hours, and repairs were necessary to the mill.

Buffalo Ankerite directors have declared the regular quarterly dividend of 5 cents per share payable Aug. 15, 1935, to stockholders of record Aug. 1.

Morris Kirkland Drills Reveal Healthy Values

Values reported last week from the Morris Kirkland Gold Mines have been found chiefly east of the shaft, The Financial Post understands. The company is now going to attempt to establish an ore body to the west, where showings on 104 and 704 drifts have been very encouraging. It is understood that the company is seeking to prove that the ore bodies east and west of the shaft are sections of one large ore body. On the 125 ft. level the high grade ore is continuing in the 104 drift and the ore body is widening out, George W. Morris, president of the company stated recently. An assay recently obtained $81.20 over 32 inches.

H. Hopkins, geologist, recommended sinking six diamond drill holes of the 704 drift west of the shaft to establish a new ore body in this area. Two of these holes have been completed and are in ore. The first hole, 92 ft. south of the main vein, gave 55 inches of ore, a section of which ran $21. The second hole gave $5 across 95 inches, with one section of $18 over 16 inches.

A cross cut is now being run to uncover this occurrence.

Dunlop Consolidated Plans Reorganization

Dunlop Consolidated is to hold a special general meeting in Toronto on July 26 to discuss reconstruction of the company's capital, H. J. Martin, president, informs shareholders. The latter will be asked to approve a by-law submitted by the board of directors providing for a reduction in the authorized capital of the company from $4 millions to $800,000, or a reduction of all stocks of the company on the basis of five shares for one. They will then be asked to approve a by-law providing for an increase in the authorized capital from $800,000 to $3 millions by the creation of 2,200,000 shares of new stock of $1, and the sale of this new stocks at a discount of 95 per cent on the par value.

All the present authorized capital of the company is outstanding, and the company is in debt to the extent of $1,500, states the president, so that reorganization is necessary.

BOILERS
MACHINE WORK
SPECIAL JOBS
THE JOHN INGLIS CO. LIMITED
TORONTO
MONTREAL

Company Earnings

Dominion Square Corp.

In the fiscal year ended April 30, 1935, Dominion Square Corporation had operating profit of $208,237 and, after all charges except depreciation, a net loss of $360,530. Corresponding figures for the year ended Dec. 31, 1934, were $201,000 and $355,000 respectively. There are no tax arrears as at April 30, 1935, and a portion of 1935 taxes has been prepaid. The company recently paid the Oct. 1, 1933 interest payment on its 6 per cent first mortgage bonds.

Income Account Years ended

	Apr. 30 †1935 $	Dec. 31 1934 $
Gross income	463,672	462,000
Less: Oper. & admin. exps.	136,490	141,000
Taxes	118,945	120,000
Oper. profit	208,237	201,000
Less bond interest:		
First mtge. bonds	281,400	281,000
On arrears of 1st mtge. int.	26,029	22,000
Gen. mtge. bonds	*245,929	*240,000
On arrears of gen. mtge. int.	......	......
Amort. of bond disc. & exp.	15,409	13,000
Loss for period before deprec.	360,530	355,000

*Includes interest on arrears of interest.

Times First Mortgage Bond Interest Earn.:*		
Before deprec.	0.68	0.66

*Includes interest on arrears of first mortgage bond interest.

English Electric

English Electric Co. of Canada had an increase of 67 per cent in sales during 1934 and orders on hand at the year end were more than 100 per cent greater than at the end of 1933. Net operating loss for the year was consequently reduced from $101,935 in 1933 to $52,964.

Con. Income & Surplus Account Years ended Dec. 31

	1934 $	1933 $
Net oper. loss	52,964	101,935
Add: Depreciation	40,000	40,000
Net loss	92,964	141,935
Less: Prev. surplus	104,658	246,593
Excess of red. price of A shs. over cost	......	14,680
Add: Patent rights and goodwill w/o	......	14,680
Bal. carried forward	11,694	104,658
Working Capital		
Current assets	672,813	749,618
Current liabilities	26,437	26,326
Working capital	646,376	723,292

Dominion Textile

Net operating profits of Dominion Textile Co. for the fiscal year ended March 31, 1935, totalled $847,663. This was in contrast to $1,377,866 for the preceding year. Addition of investment income at $450,459, an amount slightly greater than reported in 1934, brought net income up to $1.3 millions available for dividends. This was over $500,000 less than in the previous twelve months. Earnings for the year were equal to $4.30 a share on the common stock, compared with $6.25 a share in the preceding fiscal year.

The balance sheet of Dominion Textiles at March 31, 1935, reflects a number of changes, due to the inclusion this year of the assets and liabilities of Sherbrooke Cotton, a wholly owned subsidiary acquired in 1928, as well as the issuance of $4.5 millions, of 4½ per cent bonds, following the retirement of $4.7 millions of six per cent bonds. Among the liabilities, cotton acceptances were reduced by more than half, while among assets, inventories of raw cotton show a moderate decline from that reported at the end of the 1934 fiscal year. Cash resources are somewhat larger than a year ago, while investments are off about $460,000.

Income and Surplus Account Years Ended Mar. 31

	1935 $	1934 $
Gross trading profit	2,618,620	......
Less: Deprec.	1,259,932	......
Bond interest	276,075	......
Directors' fees	10,800	......
Income tax	220,000	......
Net trading profit	851,813	1,381,817
Add: Inc. from invests.	450,459	444,571
Total net earnings	1,302,272	1,826,388
Less: Prem. on bonds red.	4,150	3,950
Net profit	1,298,122	1,822,438
Less: Pref. divds.	135,842	135,842
Common divds.	1,350,000	1,080,000
Surplus for year	*187,720	606,596
Add: Prev. surplus	6,013,596	5,567,123
Less: Adjust. re deprec., Kingston plant	......	160,123
Surplus forward	5,825,876	6,013,596

*Deficit.

Working Capital		
Current assets	9,844,155	10,860,911
Current liabs.	1,812,893	3,237,531
Working capital	8,031,262	7,623,380

Can. General Investments

Net income from investments of Canadian General Investments, Ltd., in the six months ended June 30, 1935, amounted to $11,397, compared with $9,364 in the corresponding period of 1934 Net assets increased during the period by $230,528 to $5,614,816. On a per share basis, the net liquidating value of the company, based on market quotations, is $9.35, which compares with $8.96 as at Dec. 31, 1934, and $8.57 as at June 30, 1934. Bond holdings suffered substantially in the six months.

Income and Surplus Account Six Months Ended June 30

	1935 $	1934 $
Net inc. from invests. after all exps.	132,664	130,112
Less: divds.	120,118	120,748
Inc. tax*	1,149	......
Bal. to surplus before tax res.	11,397	9,364
Add: Prev. surplus	62,247	60,772
Balance forward	73,644	70,136

*For year ended Dec. 31, 1934, paid in excess of reserved.

Capital Surplus Distributable Account As at June 30

	1935 $	1934 $
Balance	1,999,091	1,861,231
Add:		
Adjustment*	10	......
Net profit on sales of secs.	73,969	128,868
Balance forward	2,073,070	1,990,099

*Of underwriting commissions on cancellation of partly paid shares in 1934.

Killarney Apartments

Killarney Apartments report 1934 receipts at $2,191, an increase of $800 over 1933, and expenditures at $2,028. Tax arrears stand at $1,545, with all surplus earnings being applied to their elimination. Operation of the building will be continued until a sale favorable to the bondholders can be effected.

Cons. Sand & Gravel

Consolidated Sand & Gravel, Ltd., subsidiary of Standard Paving & Materials Ltd., shows a net loss for the year ended Mar. 31, 1935, of $2,634, although net income before depreciation amounted to $53,321. During the year its preferred stock to the par value of $88,000 was purchased on the market and cancelled. The difference between the par value of this stock and the purchase price was added to general reserve, which now amounts to $88,413.

Income and Surplus Account Years Ended March 31

	1935 $	1934 $
Operating earnings	83,507	53,904
Less: Admin. & sell. exp.	33,158	40,576
Add: Inc. from invest., etc.	4,482	2,084
Net earnings	54,831	15,412
Less: Int. on mtge.	250	350
Deprec. & deplet.	55,954	54,345
Deprec. on autos, furniture	84	784
Loss on invest. & equip.	......	77
Bad debts w/o	1,176	......
Net loss for year	2,633	40,144
Add: Prev. deficit	104,115	37,141
Adj. depr. prior yrs.	......	25,000
Income tax	......	1,830
Deficit carried for'd	106,748	104,115
Working Capital	1935 $	1934 $
Current assets	196,155	157,016
Current liabs.	4,086	3,284
Working capital	192,069	153,732

Willson Stationers

Net profit of Willson Stationers and Envelopes, Ltd., for the year ended April 30, 1935, amounted to $9,258, or $2.31 per share on the first preference stock, as compared with a loss of $18,495 in the previous year. No dividends were paid, bringing the total in arrears at the fiscal year end to $105,000 on the first preference stock and $61,600 on the second preference stock or 26.25 per cent and 28 per cent respectively.

Consolidated Profit and Loss Account Years Ended April 30

	1935 $	1934 $
Gross profits	312,827	*294,357
Less: Depreciation	3,981	6,640
Expenses	328,347	*336,961
	†*19,501	†49,244
Other income	34,072	35,079
	14,571	†14,165
Less: Inc. taxes	4,835	4,797
Loss on plant	478	......
	9,258	†18,962
Extraordinary income	......	467
Net profit	9,258	†18,495
Deficit forward	123,760	105,265
Total deficit	114,502	123,760

*Figures adjusted to afford a proper comparison
†Deficit.

Working Capital	1935 $
Current assets	494,021
Current liabilities	55,704
Working capital	438,317

Railway Exchange

Railway Exchange Building Co. reports gross revenue of $44,990 for the twelve months ended April 30, 1935, compared with $42,570 for the previous year. This was accomplished despite some further decline in the rate of rentals being received. The building is now occupied as to approximately 73 per cent, compared with 60 per cent as at the end of April, 1934. Operating revenues, before deduction of interest on bonds and mortgage and before depreciation, are shown at $10,922, compared with $9,244 for the previous year.

In a covering letter to the bondholders, A. Janin, president, states that all arrears in taxes have now been paid. The amount of rents outstanding has been further reduced and the property maintained in good condition. In respect to the outlook for bondholders, the president said that the budget for the current year, ending April 30, 1936, anticipates some further moderate improvement and he expects this to be continued.

Stand. Paving & Materials

Standard Paving & Materials, Ltd., reports net income before depreciation of $56,554 in the fiscal year ended Mar. 31, 1935. This compares with a loss last year of $118,828. After allowing for depreciation, there were deficits of $63,072 and $239,288 in 1935 and 1934, respectively. These figures include the accounts of Consolidated Sand & Gravel Ltd., a subsidiary company. Depreciation reserves now amount to 51 per cent of property account. J. F. M. Stewart, vice-president, states that prospects for business in Ontario at present are not bright, but the company has substantial contracts in the Maritime Provinces.

Consol. Income & Surplus Account Years Ended March 31

	1935 $	1934 $
Profit from oper.	44,621	*137,055
Less: Misc. inc.	10,932	18,227
Net income	55,553	*118,828
Less: Deprec. & depl.	119,626	110,460
Accts. rec.	......	4,000
Loss on uncompl. conts.	......	6,000
Net loss	64,073	239,288
Less: Prev. surplus	426,005	835,776
Charge prior years	1,560	......
Add: Adj. minor. int.‡	6,029	......
Loss on sale Stand. Paving Inc.	......	44,136
Addit. deprec. pr. years	......	126,347
Bal. car. forward	366,401	426,005

*Loss.
‡Re acquisition of minority interest of one subsidiary company.

Working Capital	1935 $	1934 $
Current assets	489,819	571,863
Current liabilities	86,333	203,148
Working capital	403,486	368,715

Inverness Apartments

Revenue of Inverness Apartments, Windsor, amounted to $2,023 in 1934, about $600 higher than in the previous year. Total expenses were $1,951. Taxes are in arrears $1,049 and all surplus revenues over and above operating expenses are applied on these

Greater Windsor Development

Greater Windsor Development Co., operating Royal Windsor Apartments, reports gross revenue of $23,688 and total expenditures of $23,248 in the year 1934. Since the garage, formerly owned by the company, has been sold, the financial condition has materially improved and in 1934 it was possible to reduce tax arrears in addition to paying taxes for that year in full.

Tax arrears now amount to $11,853. There is also a balance in the furniture account of $7,394 and an overdraft in the receiver's accounts of $6,388. Considerable decorating will be required in the building when rentals increase.

SELLING SHORT CHEM. RESEARCH STOCK DECLINES

Company Claims Short Sellers Have to Buy on Open Market

Dr. Eric B. Johnston, Toronto director of Chemical Research Corp., has received the following telegram from the company: "In response to many enquiries being received from stockholders as a result of the recent decline in price of Chemical Research Corp. shares, we can only state that the fundamental position of the company is unchanged.

"The gyro process itself with its late developments and improvements most certainly has advanced its position in the past year. In addition, the patent position of gyro has been strengthened and it is our firm opinion that, from a competitive standpoint, Gyro today has nothing to fear.

"Chemical Research Corp. is a holding company and owns 60 per cent of Gyro Process Co., 30 per cent being owned by the Pure Oil Co. and 10 per cent by American Locomotive Co. In our opinion, the present market has been depressed to its present low level by certain interests who, we are advised today by the authorities, have sold to customers at higher levels for 250,000 shares of stock which have never been purchased and which can only be purchased on the open market."

It is signed "Chemical Research Corp." and comes from the head office at Detroit, Mich. "The authorities" referred to may be officials of the Federal Securities Commission, as these are very curious about any transaction that looks like short selling.

Dr. Johnston, in answer to enquiries, says that American Locomotive Co. in this time of low business for locomotive companies has found its connection with Gyro Process Co. profitable. Its subsidiary, Alco Products, is selling refineries using this process and American Locomotive builds them. It is now building for nearly $1.3 millions at Dunkirk, N.J., a refinery for use in Russia. It is giving work to 600 men. They expect orders to build two more units.

The Japanese are using the process also and it is said that certain European governments are looking into the process. The Governments are particularly interested in the suitability of Gyro for aviation purposes.

Dr. Johnston feels that as a result of these developments there is good reason for shareholders to hope for eventual profit after their long wait. In the end, of course, Chemical Research Corp. will benefit directly as gyro comes into use through the receipt of royalties. From a dividend standpoint, past history in this respect has been disappointing both in boom and depression times.

Public Utility Earnings

Shawinigan W. and P. Six Months Ended June 30

	1935 $	1934 $
Gross revenue	6,276,714	5,942,369
Expenses:		
Gen'l. oper. & maint.	1,335,121	1,128,945
Power purchased	788,296	760,937
Water rentals	193,892	180,990
Taxes & insur.	339,290	327,837
Exch. on fixed chgs.	......	52,654
Reserve for exch.	50,000	......
Net oper. revenue	3,580,114	3,491,206
Fixed charges	2,021,655	*2,068,592
Surplus before deprec. & income tax	1,558,459	1,422,614

*Published figures for six months' period for 1934 included deduction of $150,000 for interest on capital cost of work under construction, which deduction was cancelled as explained in annual report.

QUEBEC POWER PROFITS REFLECT REDUCED RATES

Small Increase in Power Sales Offset by Lower Charges

From Our Own Correspondent

MONTREAL.—Earnings of Quebec Power Co. for the first half of 1935 show a decline in comparison with the corresponding period of 1934, due to the new and lower rates which were put into effect in the City of Quebec and surrounding district at the beginning of this year. While there was a slight increase in the amount of electricity sold, the gains in this respect were more than offset by the lower schedule of rates.

For the first half of this year, the company's gross revenue totalled nearly $1.8 millions, as against $1.87 millions in the first half of 1934. Operating expenses, bond interest and other senior charges remained practically unchanged, leaving a surplus before depreciation and income tax of $393,186 up to the end of June this year. This is in contrast to $486,771 during the first six months last year.

Show Smaller Surplus

The statement of revenue and expenses for the first half of 1935, together with comparative figures for the corresponding period of 1934, follow:

Six Months Ended June 30

	1935 $	1934 $
Gross revenue	1,770,841	1,868,258
Operat., taxes, & other expenses	1,072,387	1,073,148
Exch. on bond interest	1,003	4,073
Fixed charges	304,265	304,266
Surplus before deprec. and income tax	393,186	486,771

Mining Stock Quotations

Week Ending July 15

Par Val.	Range 1935 High	Low	Company	Sales	Close July 8 (or last)	High for week	Low for week	Close July 15
1	.74	.38	Afton	127,750	.70	.74	.64	.70½
No	.11	.04	Aldermac	2,100	.05	.04½	.04½	.04½
1	.02¾	.01	Alexandria	11,000	.01½	.01½	.01	.01
No	.57	.40	Algold	1,700	.47	.50	.48	.49
No	.08¾	.02½	Algoma	500	.03½	.03¾	.03¾	.08¾
No	4.50	3.70	Anglo-Huronian	1,200	4.15	4.10	4.00	4.00
No	.04	.01½	Arno	......	.02½	.....	.....	.....
1	.32	.09	Ashley	5,600	.14	.14	.10	.10
1	.08	.02¼	Astoria Rouyn	8,400	.04	.04½	.04	.04½
1	.14	.03¼	Bagamac	4,100	.03½	.04	.03¾	.04
1	.08	.02¼	Barry Hollinger	35,300	.03	.05½	.03	.04½
1	.94	.39	Base Metals	19,450	.60	.65	.57	.65
1	.69	.14	B.E.A.R.	183,600	.52½	.57	.52	.57
No	2.16	1.27	Beattie Gold	558	1.35	1.40	1.35	1.40
1	.75	.30	Big Missouri	8,098	.55	.55	.52	.55
1	.38	.18	Bobjo	11,700	.20	.20	.18	.18
1	2.95	1.50	Bradian	250	1.90	1.80	1.65	1.65
No	12.50	4.30	Bralorne	2,740	4.80	4.75	4.30	4.45
1	.61	.20	Brazil Gold	16,453	.50	.54	.48	.52
1	.03	.01¾	Brett Trethewey	1,000	.02½	.02	.01¾	.01¾
50c.	.24	.07	Bridge River Ex.	400	.08	.07½	.07	.07½
1	.03	.01	Brownlee	5,500	.01	.01	.01	.01
1	3.50	2.50	Buffalo Ankerite	1,540	2.70	2.70	2.62	2.70
No	.03½	.01½	Buffalo Can.	1,000	.01½	.01½	.01½	.01½
5	38.15	33.75	Bulolo Gold	1,010	35.45	35.00	34.55	35.00
No	.07½	.03	Bunker Hill	6,500	.06½	.07	.06½	.06½
No	.02	.01½	Canam Metals	......	.01½	.....	.....	.....
1	.03½	.01	Can. Kirkland	4,500	.01½	.01½	.01½	.01½
No	.75	.54	Can. Marlartic	5,850	.63	.64	.58	.64
1	1.50	.95	Cariboo Gold	3,870	1.08	1.06	.95	.95
1	.05¾	.02	Cartier Malartic	......	.02½	.....	.....	.....
1	1.34	.55	Castle Trethewey	33,324	1.00	1.15	.99	1.04
1	.07½	.02½	Cen. Manitoba	1,300	.03½	.04	.03½	.04
1	1.77	1.12	Cen. Patricia	31,810	1.68	1.70	1.65	1.68
No	.27	.08	Chibougamau Pros.	25,950	.18½	.18½	.16½	.17½
No	.05	.03	Church M. & Mill	18,000	.03¾	.05	.04¾	.04¾
No	.08	.02	Clericy	11,300	.04	.04	.02½	.03
5	3.25	1.50	Coast Copper	......	1.95	.....	.....	.....
1	.08	.01½	Cobalt Contact	13,100	.02	.02½	.02	.02½
No	.15	.02½	Columario	......	.02½	.....	.....	.....
5	3.60	2.25	Coniagas	......	2.85	.....	.....	.....
No	2.60	1.35	Coniaurum	850	1.45	1.60	1.49	1.60
25	184.75	125.50	Cons. Smelters	1,394	158.00	163.00	157.00	162.00
No	44.00	34.50	Dome Mines	876	38.00	38.25	37.50	38.25
1	.10	.04	Dom. Explorers	4,225	.06	.05	.04	.04½
1	.02½	.00½	Dominion Kirk.	......	.00¾	.....	.....	.....
1	.17½	.08½	Duparquet	46,795	.11	.11	.10	.10½
1	2.93	1.02	Eldorado	45,620	1.75	1.98	1.73	1.76
No	4.10	3.25	Falconbridge	6,183	3.80	3.85	3.75	3.84
1	.04½	.02	Federal	1,000	.02	.02	.02	.02
No	.16½	.05	Francoeur Gold	1,500	.08	.05	.05	.05
1	.32	.31	Franklin	6,600	.....	.32	.31	.32
1	.45	.10	Gabrielle	2,100	.25	.15	.10	.15
No	.03½	.01½	Gilbec	21,000	.01½	.01½	.01½	.01½
No	2.24	1.24	God's Lake	13,509	1.57	1.60	1.54	1.59
1	.20	.11	Goldale	4,000	.11½	.11½	.11	.11½
50c	.46	.25	Gold Belt	1,500	.28	.28	.27	.28
10	.19	.10	Goldfield	......	.15	.....	.....	.....
1	.15	.04	Goodfish	......	.07	.....	.....	.....
1	.07	.02	Graham Bosquet	7,600	.03½	.04½	.03½	.04
1	.40	.17	Granada Gold	13,065	.18	.21	.17	.21
No	.12	.05½	Grandora	......	.05½	.....	.....	.....
1	.45	.17	Greene Stabell	9,800	.23	.23	.21	.22
1	.05	.02½	Grozelle	......	.02½	.....	.....	.....
1	.10	.05	Grull Wihksne	1,000	.05½	.05½	.05½	.05½
1	.97	.48	Gunnar Gold	12,300	.69	.70	.68	.68½
1	.08½	.02	Halcrow Swayze	1,000	.02	.02	.02	.02
1	.10	.04	Harker	4,600	.04½	.04½	.04½	.04½
5	20.25	13.90	Hollinger	5,199	14.10	14.40	13.90	13.90
1	1.10	.70	Howey Gold	8,450	.73	.73	.70	.71
No	16.00	11.50	Hudson Bay	2,875	14.85	15.35	15.00	15.37
1	15.35	12.25	Inter. Mining	......	12.25	.....	.....	.....
1	6.50	5.00	Do., Pur. Warr.	......	5.00	.....	.....	.....
No	29.12	22.25	Int. Nickel	14,631	26.75	28.00	26.50	27.50
100	130.75	125.00	Do., pref.	......	125.00	.....	.....	.....
1	.20	.11	J. M. Cons. Gold	67,505	.16½	.17½	.16½	.17½
1	.75	.70	Kerr Lake	600	.....	.75	.70	.70
1	.31	.22	Kirk. Hud. Bay	......	.25	.....	.....	.....
1	.01½	.00½	Kirk. Hunton	......	.00¾	.....	.....	.....
1	.65	.33½	Kirkland Lake	12,500	.34	.43	.34	.42½
1	.33½	.15	Kirk. Townsite	1,500	.17	.17	.15	.15
No	.07	.03	Lake Maron	3,100	.03	.03	.03	.03
1	58.00	48.75	Lake Shore	2,845	51.00	51.25	50.25	50.50
1	.08	.03	Lamaque Contact	12,500	.03	.03	.03	.03
1	.09½	.03¾	Lebel Oro	31,350	.04	.04½	.03¾	.04½
1	.08	.02¾	Lee Gold	13,100	.04½	.04½	.04¾	.04½
No	7.25	4.50	Little Long Lac	3,875	4.60	4.75	4.50	4.60
1	2.75	1.52	Macassa	7,775	1.60	1.65	1.57	1.61
1	.03	.00¾	Malrobic	......	.00¾	.....	.....	.....
No	.10	.06	Mandy	......	.08	.....	.....	.....
No	.12½	.03	Man. & Eastern	15,600	.06	.05	.04	.04½
1	.14	.03	Maple Leaf	20,100	.03	.03½	.03	.03
5	46.00	37.00	McIntyre	201	40.15	41.00	40.00	41.00
1	1.45	1.06	McKenzie R.L.	2,800	1.15	1.17	1.11	1.16
1	.70	.60	McKinley	......	.63	.....	.....	.....
1	.46½	.14	McMillan	17,600	.16	.15½	.14	.14
No	2.15	.45	McWatters	3,700	1.20	1.20	1.13	1.15
1	.40	.10	McVittie	3,000	.13	.14	.13	.13
No	1.50	.85	Mining Corp.	6,495	1.45	1.47	1.40	1.45
No	.21	.07½	Minto Mines	......	.08	.....	.....	.....
1	.04	.01	Moffatt Hall	6,500	.01½	.02	.01½	.01½
1	.16	.09	Moneta	7,500	.10	.10	.09	.09
1	.72	.47	Morris Kirkland	20,050	.66	.68½	.66	.68
1	.01½	.00½	Murphy	500	.00¾	.00¾	.00¾	.00¾
No	.04	.01½	Newbec	7,000	.01½	.01½	.01½	.01½
1	.04½	.00¾	Night-Hawk Penn.	......	.01½	.....	.....	.....
5	2.95	2.10	Nipissing	2,165	2.20	2.25	2.10	2.20
No	43.00	31.00	Noranda	4,391	36.80	37.87	36.50	37.25
No	.31	.16	Nor. Canada	9,500	.19	.20	.16	.20
1	.75	.30	O'Brien	3,700	.37	.38	.37	.37
1	.10	.05	Osisko	......	.06	.....	.....	.....
1	.32	.18	Parkhill	28,085	.18	.22½	.18½	.21
1	.04½	.01	Pawnee Kirk.	7,500	.03½	.03	.03	.03
1	.30½	.16	Paymaster	36,350	.28½	.28½	.26½	.27
1	.84	.40	Pend Oreille	5,950	.50	.54	.50	.51
1	.83	.65	Perron Gold	9,100	.73	.71	.65	.65
1	.09½	.01½	Peterson Cobalt	16,500	.04	.04½	.03½	.03½
1	2.96	2.10	Pickle Crow	11,155	2.20	2.27	2.15	2.18
1	12.25	9.00	Pioneer Gold B.C.	2,630	9.85	10.00	9.50	9.65
1	.06	.03	Porcupine Crown	10,025	.04½	.04½	.04	.04½
1	.01½	.00½	Potter Doal	......	.01	.....	.....	.....
1	2.05	1.42	Premier Gold	13,535	1.46	1.51	1.42	1.44
1	.02½	.01	Preston E. Dome	1,700	.01½	.02	.01½	.01½
No	3.05	1.25	Prospectors Air's.	1,200	1.38	1.38	1.37	1.37
1	.80	.09½	Quebec Gold	6,630	.60	.62	.60	.62
No	.15	.02½	Quemont	......	.15	.....	.....	.....
1	.98	.55	Read Authier	13,840	.92	.92	.83	.89
No	.41	.27	Red Lake Gold	22,900	.32	.31	.30	.31
1	1.67	1.15	Reno Gold	27,745	1.34	1.32	1.15	1.26
1	.00¾	.00½	Ribago	......	.00¾	.....	.....	.....
1	.02½	.01	Ritchie	4,500	.01½	.01½	.01	.01
1	.04½	.02	Robb Montbray	11,300	.03	.03	.02½	.02½
1	.10½	.04½	Roche Long Lac	3,700	.06	.06½	.05½	.05½
1	5.20	3.10	San Antonio	3,125	3.70	3.70	3.50	3.50
50c.	1.25	.54	Sheep Creek	11,500	.85½	.88	.80	.88
1	1.00	.45	Sherritt Gordon	19,108	.51	.59	.50	.59
1	3.29	2.49	Siscoe	19,145	2.62	2.86	2.61	2.74
1	4.60	3.30	South Amer. Gold	200	3.90	4.05	4.05	4.05
No	.15	.04½	South Tiblemont	1,000	.06½	.04½	.04½	.04½
No	.32	.13½	Stadacona	66,150	.26	.26	.22½	.22½
1	.39	.14½	St. Anthony	15,150	.15	.19½	.14½	.19
No	1.62	1.25	Sudbury Basin	2,920	1.38	1.40	1.35	1.35
1	.11	.05	Sudbury Contact	4,100	.06	.06	.06	.06
1	.07½	.03	Sudbury Mines	27,000	.05½	.06	.05	.06
1	.79½	.35	Sullivan Cons.	38,669	.71	.79½	.70	.79
1	2.70	2.00	Sylvanite	11,405	2.13	2.17	2.11	2.17
1	.67	.40	Tashota Gold	6,700	.43	.46	.41	.41
1	4.70	3.67	Teck Hughes	6,936	4.13	4.15	4.05	4.10
1	.02½	.01	Timiskaming	500	.01	.01	.01	.01
1	1.45	1.08	Toburn Gold	880	1.08	1.10	1.10	1.10
1	.30½	.10	Towagmac	100	.14	.11	.11	.11
1	.30	.12	Treadwell	500	.30	.30	.30	.30
No	.00½	.00½	Vacuum Gas	3,500	.00¾	.00¾	.00¾	.00¾
No	.32	.10	Vanson Man.	......	.10	.....	.....	.....
No	1.07	.80	Ventures	16,075	.82½	.84	.80	.82½
No	.90	.45	Waite Amulet	581	.50	.55	.45	.55
50c	.24½	.07	Wayside	11,250	.10½	.11	.10	.11
No	.10½	.01½	White Eagle	10,200	.02½	.02½	.01½	.02
1	.07	.03	Wiltsey Coughlan	......	.04	.....	.....	.....
1	.07½	.03½	Wood Kirkland	8,500	.04	.04½	.04	.04½
No	9.90	7.75	Wright-Hargreaves	4,520	7.85	7.95	7.80	7.90
No	.85	.32	Ymir Yankee	3,800	.33	.35	.32	.32
			OIL STOCKS					
No	.26	.18	Acme Gas & Oil	6,050	.18½	.22	.18	.19
1	1.09	.50	Ajax	1,650	.50	.52	.50	.51
No	.85	.49	Calgary & Ed.	......	.60	.....	.....	.....
1	.08	.04	Calmont	100	.04	.05½	.05½	.05½
No	.05½	.03½	Common Pete	......	.04	.....	.....	.....
No	.38	.18	Dalhousie	2,420	.24	.24	.18	.23
No	.12	.05	East Crest	......	.08	.....	.....	.....
No	.21	.01	Erie Gas	500	.06½	.07	.07	.07
No	.35	.08	Foothills	......	.35	.....	.....	.....
No	.15	.15	High Sarcee	......	.15	.....	.....	.....
No	.80	.50	Home	1,355	.52	.56	.50	.53
1	.14	.05	Homestead O.& G	......	.05	.....	.....	.....
No	.13½	.07	Lowery	......	.07½	.....	.....	.....
No	.27	.16	Merland	800	.18½	.18	.18	.18
1	.41½	.10	Midwal	......	.10	.....	.....	.....
1	.28	.18	Model	1,000	.20	.22	.22	.22
5	.09½	.03½	Nordon	15,200	.07	.09	.06½	.08
No	.07	.03¾	Oil Selections	14,100	.04½	.04½	.04	.04½
No	.06½	.03	Olga Gas & Oil	8,000	.04¾	.04¾	.04	.04¾
1	.65	.40	Petrol Oil & Gas	......	.65	.....	.....	.....
No	27.00	18.00	Royalite	1,472	24.00	24.00	23.50	23.50
No	.12	.04	South West Pete	......	.04	.....	.....	.....
No	.95	.55	Texas Can	900	.75	.75	.75	.75

VANCOUVER STOCK EXCHANGE
(Transaction for Week to July 12)

Par Val.	Range 1935 High	Low	Company	Sales	Close July 5 (or last)	High for week	Low for week	Close July 12
1	.02½	.01½	Alexandria	......	.01½	.....	.....	.....
No	.16	.00¾	Atlin Pacific	......	.00¾	.....	.....	.....
25c	.01½	.00½	Bayview	......	.00½	.....	.....	.....
20c	.10½	.04½	Beaver Silver	15,000	.05½	.06½	.05½	.05½
25c	.02¾	.01	Bluebird	......	.01½	.....	.....	.....
1	2.80	1.50	Bradian Gold	4,691	1.80	1.90	1.70	1.75
No	12.25	4.40	Bralorne	4,895	4.70	4.90	4.40	4.50
1	.08	.03	Bridge River Cons	1,000	.03	.03	.03	.03
50c	.24	.07½	Bridge River Exp	3,400	.10	.09	.08	.08
1	.55	.27	B.C. Nickel	72,150	.28	.35	.28	.29
1	1.55	.90	B.C. Silver	2,150	1.25	1.40	1.15	1.40
50c	.10	.05½	Canadian Rand	1,000	.05½	.05½	.05½	.05½
1	1.50	.95	Cariboo Gold	9,835	1.09	1.08	.95	.97
No	14.00	12.50	Coast Breweries	40	13.75	13.50	13.50	13.50
1	.52	.21	Congress Gold	16,450	.24	.25½	.21	.24
1	.07	.03	Cotton Belt	4,000	.03	.03	.03	.03
25c	.00½	.00½	Cork Province	......	.00½	.....	.....	.....
1	.01½	.01	Dalhousie Mines	......	.01	.....	.....	.....
No	.95	.25	Dentonia	18,825	.28½	.28	.25	.26½
No	.06¾	.01	Dictator	......	.01	.....	.....	.....
1	.17	.04	Dunwell	......	.04	.....	.....	.....
No	.16½	.06	Fairview Amal.	11,900	.09½	.09	.06	.06½
50c	.41	.28	Fawn Mining	2,000	.35	.30	.28	.30
1	.08½	.05	Federal Gold	5,250	.06½	.08	.05	.08
1	.20	.12	George Copper	......	.20	.....	.....	.....
50c	.07	.03	George Enterprise	2,000	.05½	.05	.05	.05
1	.01	.00½	Georgia River	2,000	.00½	.00½	.00½	.00½
50c	.06¾	.01½	Glacier Creek	......	.01½	.....	.....	.....
1	.42	.18½	Golconda	11,000	.19	.20½	.19	.20
5c	.20	.11	Golconda Ex.	......	.20	.....	.....	.....
50c	.45½	.24	Gold Belt	1,800	.28	.27	.25	.25
50c	.19	.07	Gold Mountain	1,900	.09½	.09½	.09	.09
50c	.04¾	.01½	Grandview	......	.02	.....	.....	.....
No	.24	.03¾	Grange Mines	39,700	.04	.04	.03½	.03½
1	.10	.05	Grull Wihksne	3,000	.05	.05½	.05	.05
No	.03	.03	Haida Gold	......	.03	.....	.....	.....
50c	.26	.18	Hedley Amal.	7,950	.22	.22	.19	.19
25	11.50	6.40	Hecla	......	11.35	.....	.....	.....
No	.12	.04	Hedley Sterling	2,200	.10	.06	.06	.06
1	.02½	.01	Hercules Cons.	......	.01	.....	.....	.....
No	.12½	.05	Home Gold	10,800	.05	.05	.05	.05
1	.01½	.01	Independence	......	.01	.....	.....	.....
1	.01	.01	Indian Mines	......	.01	.....	.....	.....
1	.20	.17	Inter'l Coal	9,800	.20	.20	.20	.20
50c	.87	.68	Island Mountain	16,564	.70	.76	.70	.76
1	.39	.31	Jack Waite	......	.33	.....	.....	.....
50c	.73	.32	Kootenay Belle	1,200	.35	.35	.32	.34
25c	.01½	.00½	Koot. Florence	......	.00¾	.....	.....	.....
1	.01½	.00½	Lakeview	......	.00½	.....	.....	.....
10c	.04½	.02	Lucky Jim	500	.03	.02½	.02½	.02½
No	.41	.07	Mak Siccar	2,700	.12½	.12½	.10	.10
50c	.00½	.00½	Marmot Metals	......	.00¾	.....	.....	.....
1	.21	.15	McGillivray Creek	......	.20	.....	.....	.....
10c	.19	.03½	Meridian Min.	27,900	.05	.05½	.03½	.04
No	.24½	.06	Minto Mines	19,800	.07½	.07½	.07	.07
50c	.12½	.03½	Morning Star	26,900	.04½	.05	.04½	.04½
1	.02	.01	Morton Woolsey	......	.01	.....	.....	.....
50c	.06½	.03	National Silver	17,600	.03½	.04	.03½	.04
50c	.17	.05	Nicola	4,800	.09	.10½	.09½	.09½
50c	.16	.05½	Noble Five	43,200	.07	.06½	.06	.06½
No	.09½	.03	Pilot Gold	5,100	.03	.04	.03	.04
1	12.40	9.10	Pioneer Gold	1,185	10.00	10.00	9.50	9.50
50c	.15	.07	Porter Idaho	13,200	.08	.09	.08	.08½
No	.01	.00½	Premier Border	......	.00½	.....	.....	.....
1	.02½	.01½	Quatsino Copper	......	.02½	.....	.....	.....
No	.17	.10	Quesnelle Quartz	2,100	.10	.10½	.10	.10½
No	.18	.10	Reeves McDonald	900	.13	.10	.10	.10
1	.39	.25	Relief Arlington	1,400	.28	.28	.25	.25
1	1.62	1.17	Reno Gold	17,350	1.37	1.36	1.17	1.25
1	.04½	.02	Reward Mining	1,000	.02½	.02	.02	.02
1	.01½	.00½	Rufus Argenta	8,500	.01	.01	.01	.01
1	.05½	.01½	Ruth Hope	1,500	.02	.02	.02	.02
1	.62	.25	Sally Mines	1,350	.25	.29	.25	.25
50c	.18	.11	Salmon Gold	4,800	.11½	.12½	.11	.11
50c	1.18	.55	Sheep Creek	14,350	.90	.89	.80	.87
1	.05	.02	Silverado	......	.02	.....	.....	.....
25c	.02½	.00½	Silvercrest	10,500	.00¾	.00¾	.00¾	.00¾
20c	.12	.03½	Silversmith	42,000	.04	.04	.03½	.04
50c	.01½	.00½	Snowflake	......	.00½	.....	.....	.....
No	.72	.65	Standard Silver	3,600	.....	.72	.65	.70
10	23.75	11.45	Sunshine	500	23.00	22.65	22.50	22.50
No	.32	.15	Taylor Bridge	3,000	.18	.18½	.18	.18
1	.20½	.12	Taylor Windfall	......	.12	.....	.....	.....
5	.35	.30	Toric	......	.30	.....	.....	.....
50c	.10	.03	United Empire	1,000	.03	.04	.04	.04
No	.61	.13	Vidette Gold	700	.14½	.14	.13	.14
No	.06	.01½	Viking Gold	......	.01½	.....	.....	.....
No	.07½	.02	Waterloo Gold	3,000	.02	.02½	.02	.02
25c	.01½	.00½	Waverley Tangier	6,000	.00¾	.00¾	.00¾	.00¾
50c	.23½	.07½	Wayside	25,800	.11	.11	.10½	.10½
20c	.04	.01	Wellington	1,000	.02	.01½	.01½	.01½
No	.09½	.03	White Eagle	......	.03	.....	.....	.....
1	.14	.04	Whitewater	8,000	.07½	.07	.06	.06½
..	.83	.34	Ymir Yankee Girl	1,000	.40	.34	.34	.34
			OIL STOCKS					
1	.22	.06½	Amalgamated	10,400	.12	.13	.10½	.10½
1	.10½	.05½	Alta. Pacific	......	.05½	.....	.....	.....
1	.04	.01½	Anaconda	......	.01½	.....	.....	.....
No	.05	.01½	Baltac	......	.02½	.....	.....	.....
1	.07½	.05	Brit. Dominion	......	.05	.....	.....	.....
1	.25	.06	Crow's Nest	19,800	.13½	.14½	.10½	.10½
No	.08½	.01	Devenish	......	.02½	.....	.....	.....
No	.11	.05	Freehold	......	.06	.....	.....	.....
No	.04½	.03	Hargal	......	.03	.....	.....	.....
No	.15	.09	High Sarcee	500	.09½	.09	.09	.09
No	.01½	.00½	Madison	......	.00½	.....	.....	.....
No	.17	.10	Marjon Oil	4,000	.11	.12	.10½	.10½
No	.05	.02	McD. Segur Ex.	1,000	.03½	.03	.03	.03
1	.48	.35	McLeod	200	.37	.35	.35	.35
No	.14½	.09	Mercury	6,900	.12	.12½	.11	.11
No	.14	.07	Mill City Pete	......	.07	.....	.....	.....
No	.06½	.04	Okalta	......	.05	.....	.....	.....
No	.10½	.02½	Pacalta Oil	2,000	.03	.03	.02½	.03
1	1.17	.32	Ranchmen's	2,850	.40	.40	.32	.32
No	.01	.01	Richfield	......	.01	.....	.....	.....
1	.28	.15	Spooner	......	.19	.....	.....	.....
No	.10	.04	United	4,400	.04½	.04½	.04	.04
No	.14	.05	Vanalta	......	.06	.....	.....	.....
1	.05	.04	Wellington Oil	......	.05	.....	.....	.....

DIVIDEND PAYERS

	Rate	Yield		Rate	Yield
Acme Gas	2c.	.....	McIntyre	$2	4.87
Anglo Huronian†	40c.	.....	McKinley Sec.	2½c.	.....
Buff. Ankerite	20c.	7.41	Model Oils	3c.	.....
Bulolo Gold‡	1.20	.....	Nipissing	12½c.	.....
Calgary & Ed.	5c.	.....	Noranda	$1	.....
Coast Brew	92c.	6.81	Nor. Canada†	2c.	.....
Coniagas‡	12½c.	.....	Petrol Oil‡	3c.	.....
Cons. Smelters	$1.25	.....	Premier	12c.	8.33
Dome Mines	$2	5.22	Pioneer, B.C.	80c.	8.29
Falconbridge	7½c.	.....	Reno	12+2c.	9.53
Hollinger	65c.+5c.	4.67	Royalite	75c.	.....
Howe Sound	$3	.....	San Antonio	7c.	.....
Howey Gold	3c.	.....	Siscoe	20c.	7.29
Int. Coal & Coke‡	1c.	.....	So. Amer. Gold	10c.	.....
Inter. Mining	15c.	.....	Sunshine	30c.	.....
Int. Nickel c	60c.	2.18	Sylvanite	20c.	9.24
Kirk. Lake†	3c.	.....	Teck Hughes	40c.	9.75
Lake Shore	2+50c.	3.96	Toburn	8c.	7.27
Macassa	5c.	.....	Wright-Har	40+5c.	5.06

‡Interim. †Initial.

BOUSQUET WORK STOPS PENDING PLANS FOR MILL

Aim at Conserving Funds to Erect 25 to 50 Ton Unit

From Our Own Correspondent

SUDBURY.—To conserve its finances until the mine can be brought into production, underground work has been temporarily suspended at the Bousquet Gold Mines while the proposed mill is constructed.

Plans are being prepared for a mill, Lionel Brooke, president, states. Building is to be started in the near future. While nothing definite has been given out as yet, it is understood the plant will be between 25 and 50 tons daily capacity. Three months, it is estimated, will be required for complete installation. Officials state there will be no difficulty in providing mill feed once operations are commenced. A substantial tonnage has been indicated in the work done to date on the 150 and 300-ft. levels.

The new vein encountered in the diabase recently in diamond drilling at the 450-ft. horizon has been developed for a total distance of 200 ft., working both east and west. It is reported the occurrence has held width and grade, and the company is well satisfied with the results.

Bulolo Comes to Terms With Placer Development

Bulolo Gold Dredging reports that it has arranged with Placer Developments Ltd. that Placer will discontinue prospecting in the mandated territory of New Guinea and in Papua. Further the company will follow up "for joint equal account and benefit to both companies" future opportunities in these territories except that the properties contiguous to Bulolo's present holdings will be for the company's account only.

The present options held by Placer Developments in New Guinea will be taken over by Bulolo for a cash consideration equal to the total expenditure incurred by Placer. Should any of these options be exercised, the company will recompense development at a price agreed upon by both companies.

June production at the property amounted to 9,061 ozs. gold with a profit, at $35 per ounce gold, of $206,180.

This compares with a production of 10,377 ozs. gold in May with a net profit of $251,930. The drop is blamed on the fact that dredge No. 2 worked, for nine days practically without revenue, preparing a pond for deep digging dredge, now being designed.

B.E.A.R. Encouraged On 300-ft. Level

Bear Exploration and Radium reports that in the cross cut to the east from the station established at the 300 ft. level the ore body was encountered at a distance of 13 ft. and drifted on for a distance of 30 ft. The vein assays 98 oz. of silver to the ton over a width of 20 inches over the entire length drifted on to date. The vein is directly under the 95 ft. zone on the 200 ft. level which averaged 26 oz. of silver over 21 inches, and is considered to be the downward extension of that cut on the upper levels. Ore removed during drifting is being spread on the surface where it will be convenient to reclaim and run through the mill as soon as required.

The company reports that work on the excavation of the mill site is practically completed and is now awaiting the arrival of mill machinery and equipment. It is expected this will arrive early in August.

Metal Prices

New York—July 16—
Copper: Electrolytic spot and future, 8c.
Silver: 67¾c.
London—July 16—
(Long Ton)—
Copper: Electrolytic spot, £35 10s; future, £36 5s.. Standard spot, £31 12s 6d; future, £32 2s 6d.
Tin: Spot, £232 12s 6d; future, £224 7s 6d.
Lead: Spot, £14 2s 6d; future, £14 5s.
Zinc: Spot, £13 17s 6d; future, £14.
Gold: 140s 11½d.
Silver 30⅛d. per ounce.
Canada—July 16—
Gold: $35.01.

DOME IMPROVES RECOVERY DURING SECOND QUARTER

Earnings of $2.21 Per Share Indicated for First Six Months, 1935

Higher recovery per ton, and slightly higher tonnage is reported by Dome Mines, large Porcupine producer, for the second quarter of 1935. Earnings of this company for the first half of the year, before allowance for depletion or depreciation, should amount to about $2.21 per share.

During the six months ended June 30, 1935, the company treated 273,700 tons from which a recovery of 103,858 fine ounces of gold was obtained. Gold bullion tax for the six months period nicked $304,646 from the net profits.

The following tabulation, compiled by The Financial Post on the basis of the six months report, shows estimated earnings for the first and second quarter of 1935, before allowing for depreciation, depletion, and adjustments of surplus or contingent reserve accounts:

Quarterly Earnings, 1935

	1st quar. $	2nd quar. $
Bullion prod.	1,768,583	1,877,856
Less: Bullion tax	182,470	122,176
Dev. oper. & gen. exps.	539,764	546,430
Taxes	*97,800	†141,954
Outside explor. w/o	1,251	1,921
Oper. profit	957,308	1,065,376
Add: non-oper. rev.	112,839	77,395
Net profit‡	1,070,147	1,142,771
Production		
Tons milled	136,700	137,000
Fine oz. gold	50,476	53,382
Rec. per ton	$12.94	$13.70

* After deducting three-fifths of reserve set up in 1934, or $63,000.
† After deducting two-fifths of reserve set up in 1934 or $42,000.
‡ Before depreciation, depletion, etc.

Wendigo Shareholders Boost Capitalization

Unanimous approval of the by-law to increase the capital stock from two million shares to three million shares, $1 par value, was forthcoming at the annual meeting of Wendigo Gold Mines shareholders recently. The by-law approved last year to change the capital structure of the company so that shareholders would receive one new share for each two old shares held was rescinded. Under the new plan, shareholders will retain their stock holdings with no reductions.

Henry D. Tudor, president, in his address to shareholders, stated that under the new capital structure, with the stock presently to be issued in connection with the new financing programme, upwards of 1,100,000 shares remain in the treasury. Only a small portion of this will be required for financing the proposed mill, and on the completion of the present financing there still remains a substantial stock holding in the treasury.

Replying to a question, Horace G. Young, managing director, stated that it is the intention to install a mill with an initial capacity of 50 to 60 tons per day at a cost of approximately $55,000. He stated that with the additional expenditure of about $15,000 the mill could be increased to 100 tons capacity daily.

The following directors were reelected for the ensuing year: Henry D. Tudor, Boston; H. G. Young, Toronto; Hugh R. Tudhope, Orillia; A. J. Bolton, Toronto. Of the total of 1,870,538 shares outstanding, 1,587,000 shares were represented at the meeting.

Nova Scotia's Bid For Tourists

Through an arrangement with a New York press bureau, the department of highways in Nova Scotia hopes to tell the story of the provincial tourist attractions through 808 city dailies and 3,500 smaller newspapers in the United States, Great Britain and Canada. Photographs, news items, feature stories, radio and newsreels will be used.

NORTHERN CANADA MINING CORPORATION, LIMITED
Invests in Canadian Mines and Mining Properties
68 King St. East, Toronto, Can.

TORONTO LISTS FRANKLIN STOCK FORMED IN 1934

Company is Developing Old Ontario Champion Mine in Kenora

Operating the old Ontario Champion Mine in the Kenora Mining district of Northern Ontario, Franklin Gold Mining Co. has had its stock listed on the mining section of the Toronto Stock Exchange. Stock was called for trading July 15.

Franklin Gold was incorporated with an Ontario charter in August 1934 with an authorized capitalization of 3,500,000 shares of $1 par value, of which the issued capital on May 11, was 1,956,304 shares. Of the issued capital, 1,415,280 shares were issued for the property and 541,024 shares sold for cash.

At the present time, the company has a firm underwriting of 500,000 shares at 15 cents per share. Of this stock, 250,000 have been taken up and paid for, leaving a balance of 250,000. There are also options outstanding of 200,000 shares at 20 cents and like amounts at 30, 40 and 50 cents.

Of the capital, 1,272,465 shares are held in escrow by the Trusts & Guarantee Co. Ltd., 187,857 shares being escrowed until February 17, 1936, and the balance escrowed until August 27, 1937.

On the property itself, the company states that 12 veins have been located, with developments carried out on the "Champion" vein which has been traced on the surface more than 1,000 ft. A two compartment shaft has been sunk to a depth of 235 ft. and stations have been established on the 120 ft. and 220 ft. levels.

From ore broken in development, the company has produced gold to the value of $31,447 from 1,667 tons at the rate of $18.80 per ton on the old gold basis.

As of May 7, 1935, the balance sheet submitted to the exchange shows $33,878 in cash. Stores and supplies are estimated at $2,100 and organization expenses at $3,077. Mining properties, buildings, plants and equipment are valued at $167,000. Among the liabilities are payments owing old creditors of Ontario Champion Mines to the amount of $226, while advances consist of $104.

Bubble's Contribution is Described in Paper

The bubble long the symbol of instability and evanescence, has been put to work during recent years and today is making millions for the people of Canada. If it were not for bubbles some of Canada's largest and most profitable mines could not be worked. It is the hard-working modern bubble that is separating valuable metals from one another and from the useless rock material at the Sullivan, Flin Flon, the Frood, Noranda and many other mines, large and small.

The scientific basis of this modern harnessing of the bubble, known as the flotation process, is described in the July Bulletin of the Canadian Institute of Mining and Metallurgy in a paper entitled "The Story of the Bubble" by G. A. Gillies of the University of British Columbia.

In the same issue appears a paper by Dr. J. F. Wright on the geological features of the Manitoba Mining fields.

"Safety and Welfare at Flin Flon" by W. V. Paton, Safety Engineer of the mines, is another article of more than usual interest.

J. E. Grasett & Co.
Members
The Toronto Stock Exchange
302 Bay St.
TORONTO
WAverley 4781
Branch Office:
Dundas & Keele Sts.
Ju. 1167

Moving to New Offices?

If so, you want thoroughly modern, fireproof office served by swift elevators and flooded with sunlight an clean air. You want a centra location, yet one that is fre from traffic congestion an where plenty of nearby parking space is available. You want congenial neighbors, too, yet, very likely, you have definite ideas about the maximum rent you will pay.

Come, then, and inspect the MacLean Publishing Company's office building at University Avenue and Dundas Street, where there are a few small suites of offices availabl having each and every advantage enumerated above, at rentals that will attract you.

Apply to
The MacLean Publishing Company, Limited
481 University Avenue, Toronto
Phone: ADelaide 9131

CHARTERED ACCOUNTANTS

RUTHERFORD WILLIAMSON & CO.
Chartered Accountants
RUTHERFORD WILLIAMSON, F.C.A., HAROLD A. SHIACH, F.C.A.,
TORONTO; MONTREAL
Licensed Trustees and Receivers
Rutherford Williamson, F.C.A F. R. McCutcheon, C.A.

E. R. C. CLARKSON & SONS
Authorized Trustees and Receivers
15 Wellington St. West, Toronto
CLARKSON, GORDON, DILWORTH, GUILFOYLE & NASH
Toronto — Montreal — Ottawa

RONALD, GRIGGS & CO. Winnipeg
Chartered Accountants Saskatoon
(FACILITIES IN ALL PRINCIPAL CITIES)

MILLAR, MACDONALD & CO.
CHARTERED ACCOUNTANTS
WINNIPEG MANITOBA

WILTON C. EDDIS & SONS
Established 1895
CHARTERED ACCOUNTANTS
Federal Building, Toronto

Legal and Professional Directory

R. DOUGLAS GRAHAM, K.C.
BARRISTER & SOLICITOR
Specializing in Mining Law and Incorporation
ROY BUILDING, HALIFAX, N.S.

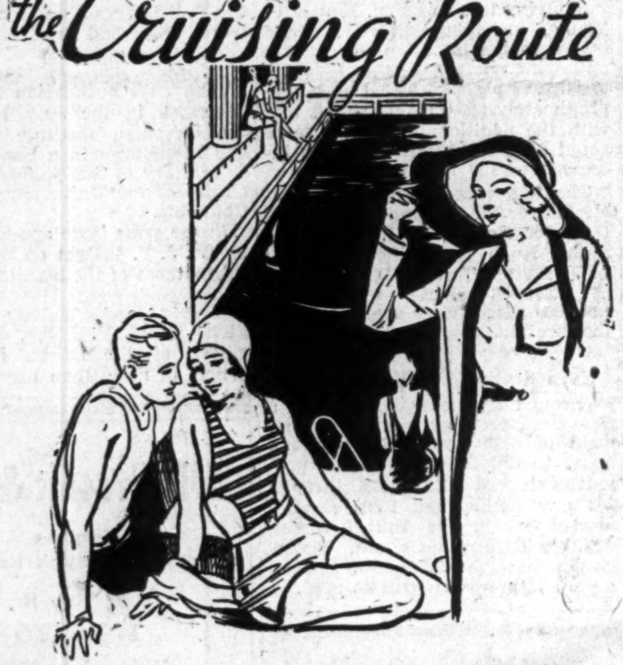
Pitblado, Hoskin, Grundy,
Bennest and Drummond-Hay
Pitblado, Hoskin, Turner,
McEwen and Alsaker
Barristers, Solicitors, Etc.
Hamilton Building
WINNIPEG, CANADA

Lateral Work Gives Canada Radium Hope

Development work during the last few months has been concentrated on the 250-ft. level south at the property of Canada Radium Mines Ltd., H. L. McClelland, consulting engineer, reports. From 130 ft. south of the shaft, this work was done on a series of several narrow veins which ran in approximately the direction the company desired to go to cut the east and west fault. At numerous places along this drift and particularly at points of vein intersection, enrichment was noted, Mr. McClelland reports.

The fault was intersected at an angle at 320 ft. and a crosscut run from the 308 ft. on a fractured zone to cut directly through it. The first 20 ft. of this crosscut carried more of the uranium mineral than has been found elsewhere in the mine. The crosscut is being continued to cut the veins to the south of the fault and two further veins have already been intercepted.

K. W. Wright, president, states that negotiations are now being carried on relative to the purchase of a separation plant.



EUROPE
Via 39% LESS OCEAN the Cruising Route

● Choose this shorter, smoother voyage to the Old World, with two days of the journey spent cruising down the picturesque waters of the St. Lawrence. 39% less ocean. Go Canadian Pacific and *enjoy* the maximum in comfort and service every hour of the way—whether you book First, Cabin, Tourist or Third Class.

The world's Greatest Travel System has a whole fleet of ships at your service—the *Empress of Britain, Empress of Australia, Duchesses* and comfortable *Mont* ships.

Frequent sailings every week from Montreal and Quebec to British and Continental Ports. Ask for bulletin of Conducted All-Expense Tours.

1935—King George V Silver Anniversary
July 27, 29, 30—Davis Cup Challenge Round, Wimbledon.
July 29 to end of August—Malvern Dramatic Festival.
August 5 to 10—Royal Yachting Regatta, Cowes.
September 5—Royal Highland Gathering, Braemar, Scotland.
Plan to attend. An experience never to be forgotten.

Full information from your own travel agent, or
J. C. PATTESON, Steamship General Agent, Canadian Pacific Bldg., Toronto,

Canadian Pacific

"Canadian Pacific Express Travellers' Cheques . . . Good the World Over".

1500R

Canadian WOOD TANKS

For all Liquid Storage Purposes

Made in any desired size up to 60 feet diameter, proof against corrosion by salt solutions, or acid compounds — for water, oil, chemical or other liquid storage. Frost-proof and absolutely water-tight. The low initial cost and long life of Canadian Wood Tanks has won the approval of mine superintendents throughout Canada.

Write for full details and prices

Canadian Wood Pipe & Tanks
Limited
550 Pacific Street Vancouver, B.C.
30 YEARS IN BUSINESS

Rosie Brown—Prospector

Thanks to a Parisian Sneak Thief, Canada Gets One of Her Most Picturesque Mining Personalities

By WILFRID SANDERS

Rosie Brown was just a zestful young girl of scarcely more than 20, when robbed of all her money and jewels in Paris. Now, after 30 years of incredible hardships and high adventure in Canada's north, she is no longer young, but still appears to believe that living is the most enjoyable feature of life.

She lives now in Kirkland Lake, in the heart of Ontario's gold belt, where, as might be expected, everybody knows her so well that she is taken more or less for granted, despite her amazing story. Recently, on request, Rosie told me that story—of her girlhood in a cultured Hungarian home, of her misfortune in Paris, her flip-of-the-coin decision to come to Canada, and the consequent train of events which were to bring her, with the aid of a floating log and a dog, through the disastrous Porcupine fire of 1911, and which were to make her known to practically the whole mining fraternity.

Rosie's early life in Budapest was not one which would tend to train her very well for a life of prospecting in Canada. Her father was a professor in a Budapest College, and apparently the atmosphere of her home was the familiar one of impoverished culture. Certainly the family income could not have been very big, because early in life, Rosie, forced to shift for herself, found herself a stocking maker in her native city.

The adventures of Rosie Salter (that is as close to the Anglicised version of her maiden name as I could get) really begin in 1904, by which year she had saved up enough money to take a little trip to Paris. There is no need to belabor the drama of the situation, in which this young girl set out for a brief holiday in Paris, eagerly anticipating the few harmless excitements such a holiday would entail, and completely unaware of the lifetime of adventure which the "little trip" was to bring her.

"All Her Jewels"

The turning point in Rosie's life was an under-sized Parisian sneak thief, who, shortly after her arrival in Paris, relieved her of most of her holiday money, and, as Rosie says, grandiloquently, of "all her jewels."

To understand Rosie's reactions to this calamity, you have to understand that she was and still is proud—not vainly proud, but proud of her independence. She could easily have cut short her holiday, and returned to Budapest and her stocking making. But Rosie was proud, and perhaps a little hysterical; inclined to over exaggerate the enormity of the calamity. In any event, she was determined she would not return to her friends and associates in Budapest, and face the ridicule which she thought would await her there. Besides, she was too high spirited a girl to look forward to a lifetime of making stockings. She had always wanted to see London. She had enough money left to get her to London.

So she went to London.

Here she got a part time job, and for the first time in her life heard of Canada. The Canada she heard about was a glamorous place of adventure and opportunity. It was a place where things happened. The way Rosie spoke, I doubt if at the time she knew where Canada was or how far it was from London.

But she liked the sound of Canada. She was told she could work her way over to Canada.

So she went to Canada.

She worked her way over as a menial on one of the third rate liners. Clutching her scant belongings, she stepped ashore at Montreal, confident she could get work in the "first building she saw."

Worked As Waitress

Strangely enough, she did, and was given a place as a waitress in the Grand Union Station restaurant. That was in 1905. When she arrived in Canada, she had only enough money for a night's lodging, and a completely unsatisfied appetite for adventure. Unsatisfied is hardly the world. The more Rosie tasted adventure, the more she craved it. She says that never at any time has she regretted the hare-brained decision to come to this country.

One of the things that sets Rosie apart from other people is her completely cosmopolitan point of view. She claims to speak ten languages with no difficulty, and two more intelligibly. During her life she has mixed with all races and all types.

It was not surprising, then, that as a waitress, she readily fell into conversation with the polyglot patrons which can only be found at a station restaurant in a big seaport. She had not been thus employed for long when she began to hear tales of the mineral wealth which was beginning to be uncovered in northern Ontario. At that time, Cobalt, revealed to the world when the Temiskaming and Northern Ontario railway was pushing its iron finger farther and farther northward, was much in the spotlight. Rosie had sufficient funds to get her to Cobalt, if she got the odd job en route. Cobalt, with its sudden fortunes and its glamor, appealed to her.

So Rosie went to Cobalt.

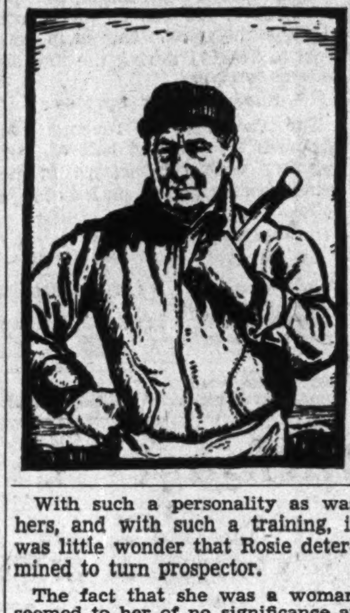
On her way she stopped off for a while in Toronto, working for a short time as a kitchen help in the King Edward Hotel.

Cobalt at this time was a typical rush town, and suited Rosie, still adventure bent, down to the ground. She got a job first as a waitress, then as a cook. In the latter rôle she was very much in demand, and found no trouble in supporting herself.

Life Begins to Pall

But life began to pall. The wages she made were good, but seemed ineffably drab compared with the sudden fortunes which one was hearing about on all sides. It may well be imagined that in the course of her travels to date, this self-sufficient young lady had learned how to look out for herself in the rough and tumble world which was hers by choice. She was already proficient in the English language, and many others, which were heard in and about Cobalt. She was continually talking to men who claimed to have struck it rich, or who expected soon to strike it rich.

Rosie Still Ready for Gold Hunt



To the left is Rosie Brown as she appears today, still, she says, ready to leave on a hunt for gold, the search for which has been to her merely an outlet for her insatiable appetite for adventure. Above is shown one of Rosie's houses, which, incidentally, was one of the first to be built in Kirkland Lake.

With such a personality as was hers, and with such a training, it was little wonder that Rosie determined to turn prospector.

The fact that she was a woman seemed to her of no significance at all. She was in a man's world, and was physically the equal of many of the men in the bush. So Rosie quietly left her kitchens for real adventure in the bush.

She spent the next few years prospecting around Cobalt. Rapidly this daughter of a university professor mastered the art of handling an axe, a canoe, and of coping with the elements. Soon she was accepted as an equal by the prospecting fraternity. She had little difficulty in getting grubstakes, once she became accepted.

Mining prospectors, especially in the early part of this century, accepted things on their face value. Their whole lives were based on the hopes of the unexpected happening. It was a country of surprises, and the unusual was the daily routine. Nobody seemed to have questioned Rosie's capabilities in the bush after the first season or two. Once she was found to be bushworthy, the mere question of her sex didn't matter.

By this time Cobalt had spent its first flush of youth, and had settled down to become one of the world's greatest silver producing areas. The routine matter of mining holds no appeal for people of Rosie's type. It was discovery that really mattered.

On To Porcupine

So after prospecting in and about Cobalt for several seasons, with no startling success, Rosie followed the rush into the Porcupine area, the newly discovered gold field. Here she was one July day in 1911, when the flames came.

Rosie's description of the famous Porcupine holocaust is vivid. Nobody is sure what started it, but the countryside, parched by the driest summer in years, was ready for it.

For days, says Rosie, the air had been filled with the tang of burning wood. The coppery sun rose and set in a bank of smoke. One day the fire was reported to be nearing the wooden bush-girt town of Porcupine.

"Almost before we got word, the flames were on us." Rosie told me. "The flames, they were as horses." Wild horses, tearing, slashing as they came.

Inhabitants of Porcupine took to boats, canoes, rafts, anything at all that would float, and shoved out into the lake. Chaos was in the saddle, and there was time to grab only the lightest, most handy valuables.

Rosie grabbed some clothes and a picture of herself as a girl, which she still keeps, charred at the rim. With a score of others, she found herself on a bridge over an arm of the lake.

"Jump For Your Life"

It was a futile haven. In a few seconds the bridge had caught fire at the base. Someone yelled "Jump!" and Rosie jumped, still clutching her little bundle.

A large log, floating just beneath, checked her fall into the water with breath-ousting suddenness. Seven men and a dog grabbed the log. In unison they swam, pushing the log out into the lake, where the utmost confusion reigned. Flaming brands fell on boats which crowded the small lake. Canoes caught fire. An old steamboat, crowded to the gunwales with humanity, burst into flame, and the passengers leaped screaming, into the water.

"The lake, like the whole world, seemed to be burning." says Rosie.

From 12 o'clock noon until seven o'clock at night, Rosie and her companions clung desperately to the log, while all about them chaos continued on that flame-rimmed lake.

Possibly it was on this terrible afternoon that the passionate love for dogs, which is another of Rosie's characteristics, was born within her. She says that several times when she felt like letting her aching fingers relax and slipping into the black peace of the lake, she glanced at the courageous dog beside her, hanging, with pathetically inadequate paws, to life.

"The Golden City"

By seven o'clock the fire had passed over, and what was once "The Golden City" was a smouldering blackened skeleton, containing the bodies of an unrecorded number of dead.

With only the small bundle left, Rosie picked up the threads of her life where she had left off.

For the next quarter of a century, she searched for wealth in northern Ontario, staking many claims, helping to stake many more, but never finding her pot of gold.

In 1932 she came to Kirkland Lake, where she had staked several claims. The frame house in which she lived, on Kirkland Lake's main street, was the first building to go up in the townsite.

"As it was, so it is," says Rosie, pointing to her rude dwelling place.

It was market day when we talked, and a throng which would have done credit to a large town was crowding the sidewalk in front of her house. Everybody spoke to Rosie. Men touched their caps respectfully. No matter what language they used, Rosie replied in kind. It is no sentimentalism to say that Rosie is loved by Kirkland Lake.

Living with her are eight dogs. The reason there are so few is because she had just given away some pups, she explained. The usual number is about 15.

Saved from Suicide

Crowding the attic of Rosie's home are the belongings of persons who are away in the bush or in jail. They have left their chattels with Rosie because they know they will be as safe as though they were in the bank. One of the bundles belongs to a man who was about to commit suicide when brought back to his senses by Rosie's superb logic.

Rosie now spends her day doing things for other people. Some of the claims she has staked are now in Kirkland townsite, and she lives on the rentals. She states emphatically that she is ready to start off on another hunt for gold if the opportunity arises.

One of the jobs which has fallen to her lot is that of unofficial interpreter in the Kirkland Lake police court, where her amazing knowledge of languages stands her in good stead. It is a rare event if a court does not find Rosie seated in the crowd ready to be of service if some unfortunate European finds himself unable to explain to the court the reason for his actions.

Loved in Kirkland Lake

Typical of the genuine love with which residents of Kirkland Lake regard Rosie is the wall which fronts her home, built by the children of the community, with much love, but little application of the builder's plumb.

Rosie is no mere village character. Her mind is keen, her memory sharp. She takes an intelligent interest in world affairs, and with her knowledge of Europe, talks with surprising aptness about events on that continent. Her husband, whom she married in 1908, and from whom she obtained the name Brown, was killed in France during the war.

She looks older than she really is, probably because of the rough life she has led. But perhaps the most amazing thing about her is the fact that through it all she has never lost that certain something which is usually called feminism. She was asked to pose for a picture. She consented but excused herself for a minute.

Presently she emerged, dressed as she had been before, in trousers and heavy boots. There was one significant exception, however.

In the place of the old cloth cap was an antique but trim little hat, with a spray of flowers on it.

Rosie is a prospector, but she is a woman prospector!

Morning Star Gold Finishes Mill House

Mill building has been completed on the Morning Star Gold Mines Ltd., in the Fairview Camp, B.C. The first car of heavy machinery is now being installed, and it is hoped to have the mill in operation before the end of July.

The mill will be under operation and supervision of Medco Ltd., of Vancouver. While the plant has primarily been designed for the treatment of ore from the Morning Star it may be used, according to present plans, to treat ore from other properties in the Camp.

Smelters Interested in Big Master Mine?

From Our Own Correspondent

HUDSON. — Consolidated Mining and Smelting Co. Ltd. have been in the Wabigoon Lake area, 40 miles south of here, visiting the Big Master Mine. J. MacKechnie, representing Smelters, visited the Big Master recently and left, taking samples of ore with him, after examining the property which was active early in the century. What Smelters plans are can not be determined, but it is known that some interests are reopening the property shortly. The adjoining Jubilee property is also to see early development.

MAY GOLD OUTPUT NEAR PEAK MONTH REACHED JUNE, '32

Healthy Gains Also Shown by United States and South Africa

Last May, Canada's gold mills turned out more bullion than in any month since June, 1932, figures just issued by the Dominion Bureau of Statistics in Ottawa reveal.

May gold production reached a total of 269,238 oz. In June, 1932, a month which set an all-time high record, 270,652 oz. of gold were produced.

Ontario's share in this noteworthy figure was 188,993 oz. consisting of 84,717 oz. from the Porcupine Camp, 80,007 from Kirkland Lake, and 24,269 oz. from other sources. The May total includes the first record of production for this year from the Gillies Lake Porcupine Mine.

An advance of 17 per cent was recorded in Quebec production of gold in May, when 36,166 oz. were produced as against 30,908 oz. in the preceding months. British Columbia produced 29,050 oz. in May, as compared with 30,761 oz. in April.

Manitoba, Saskatchewan sources accounted for an output of 13,853 oz. in May. This represented a decline of 13.4 per cent from the previous month. The Yukon production amounted to 727 oz. of gold in May. In April no gold was produced.

Shipments of gold from Nova Scotia to the Royal Canadian mint in May were recorded at 449 oz. as compared with 507 oz in April.

World Production

In Canadian funds, the average price of gold for May was $34.94 per oz., at which price the Canadian output was worth $9,409,599. Average price for April was $35.1 per oz., and the value of the month's output was $8,642,392.

World production of gold in May totalled 2,407,000 oz., or 5.1 per cent above the April total of 2,290,000 oz. South Africa's output in May amounted to 916,000 oz., as against 870,000 oz. in the preceding months. The United States production, including the Philippines, rose to 275,923 oz. from the April output of 250,666 oz.

Canada's gold production in months from January, 1933, to May, 1935 is as follows:

Canada's Record

	1935* ozs.	1934* ozs.	1933 ozs.
Jan.	238,651	231,288	234,359
Feb.	229,340	222,937	229,145
March	249,479	249,310	261,197
April	245,697	227,856	237,970
May	269,238	259,706	238,603
June	......	242,713	262,460
July	......	245,516	256,663
Aug.	......	264,870	257,607
Sept.	......	244,180	236,526
Oct.	......	265,076	244,212
Nov.	......	250,000	241,928
Dec.	......	261,374	248,639
Total—Year	......	2,964,826	2,949,309
Total—Five mos. end. May	1,232,405	1,191,097	1,201,274

*Subject to revision.

Active Coal Mines

The coal mines of Canada have been more active in the last 15 months than for a number of years. Output in 1934 was higher than in any year since 1930.

The BACHELOR'S CORNER

I SPENT last week-end at a friend's summer cottage. It's in as pretty a little spot as you'd wish to see, on the edge of a dinky little lake. My friend is one of the old school and he's afraid his pretty daughter is going to marry one of these smart-aleck kids that will never get anywhere. He's got the idea most youngsters are like that.

He asked me to keep my eyes open and tell him what I thought of the "young whipper-snapper" that was visiting them that week-end. As we stood on the verandah after dinner we watched the two young folks drift by in a canoe.

"Well," I said to my friend, "that boy may be a bank robber or a counterfeit coin expert, but I doubt it. There's one thing certain, though; he knows sound values."

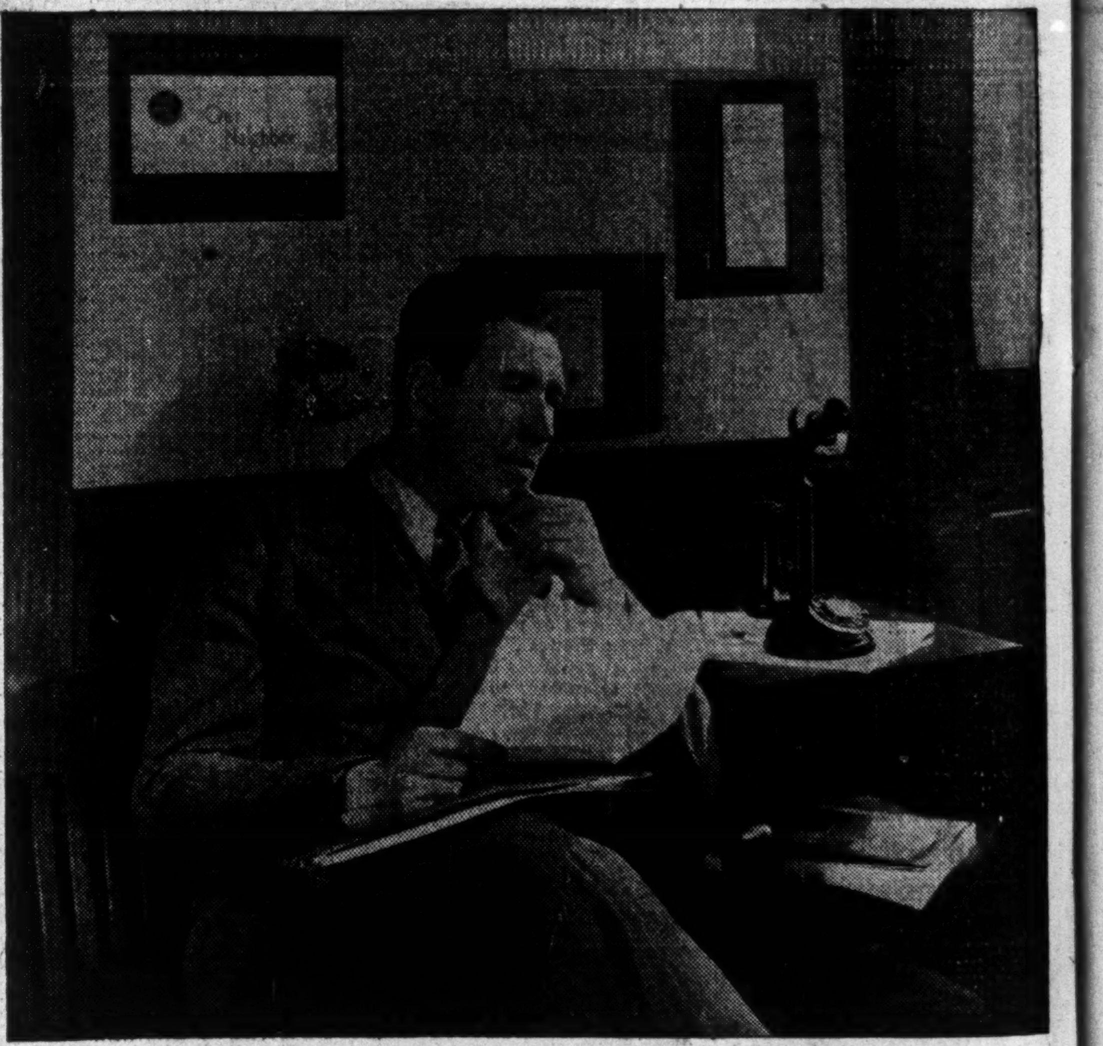
You see I had just got a whiff of the fine aroma of the cigar he was smoking as it came drifting through the cedars. I'd recognize the pure Havana fragrance of a Bachelor anywhere.

"IT'S GOOD TO GET BACK TO A 10c. CIGAR"

WILSON'S
BACHELOR
Cigar
10¢
100% Havana Filler

More Cross Border

Visitors coming into Canada by international bridge, ferry, and tunnel inlets during 1934 numbered 21.9 millions compared with 20.3 millions in 1933.



WHEN YOU DISCOVER A MISTAKE IN THE SPECIFICATIONS . . . AND IT MUST BE CORRECTED BEFORE YOU SEE YOUR CUSTOMER . . . AND YOU NEED THE CHIEF'S AUTHORIZATION . . .

Use that telephone beside you! A Long Distance call to Head Office will save the situation.

● Night rates on "Anyone" (station-to-station) calls NOW BEGIN AT 7 P.M.

THE BELL TELEPHONE COMPANY OF CANADA
LONG DISTANCE TELEPHONE